

Supplementary information on the Angus Best Value Report was provided after the meeting. This can be found at the **end of this pack**.

490th meeting of the Accounts Commission for Scotland

Thursday 9 June 2022, 9.30am

**by video conference, in the offices of Audit Scotland, 102 West Port, Edinburgh
and via public livestream**

Agenda

- 1. Apologies for absence**
- 2. Declarations of interest**
- 3. Order of business**

The Chair seeks approval of business, including proposing taking items 15 to 21 in private (* see note).

Business requiring decisions in public

- 4. Minutes of meeting of 12 May 2022**
- 5. Minutes of meetings of Commission committees of 26 May 2022**
Report by the Secretary.
- 6. Audit Scotland Board update**
Report by the Secretary.
- 7. Best Value Assurance Report: Angus Council**
Report by Interim Controller of Audit.
- 8. Housing Benefit performance audit**
Report by the Audit Director, Audit Services.
- 9. Strategy and work programme: Work programme update**
Report by the Executive Director of Performance Audit and Best Value.
- 10. Commission meeting arrangements 2023**
Report by the Secretary.

Business for information in public

- 11. Secretary's update report**
Report by the Secretary.
- 12. Chair's update report**
Report by the Chair.
- 13. Interim Controller of Audit's update report**
Report by the Interim Controller of Audit.

Any other public business

14. Any other public business

The Chair will advise if there is any other public business to be considered by the Commission.

Business requiring decisions in private

15. Best Value Assurance Report: Angus Council

The Commission will consider the actions it wishes to take on item 7.

16. Local Government Overview – proposal for future reports

Report by the Executive Director of Performance Audit and Best Value.

17. Draft Annual Report 2021/22

Report by the Secretary.

18. Members' Code of Conduct

Report by the Secretary.

19. Digital audit overview and update

Report by the Executive Director of Performance Audit and Best Value.

20. Strategic Scrutiny Group – future direction

Report by the Interim Audit Director, Performance and Best Value, and Secretary to the Strategic Scrutiny Group.

Any other private business

21. Any other private business

The Chair will advise if there is any other business to be considered by the Commission in private.

* It is proposed that items 15 to 21 be considered in private because:

- Item 15 requires the Commission to consider actions in relation to a report by the Interim Controller of Audit. The Commission is then obliged by statute to inform the appropriate council of its decisions, which the Commission does before making the decision public.
- Item 16 requires the Commission to consider confidential policy matters.
- Item 17 requires the Commission to consider a draft report which the Commission is to consider before publishing.
- Item 18 requires the Commission to consider its Code of Conduct and thus affecting the business and conduct of Commission members, which the Commission may wish to discuss in private before publishing.
- Item 19 requires the Commission to consider confidential policy matters and data which belongs to Audit Scotland and is not in the public domain.
- Item 20 requires the Commission to consider confidential policy matters.

- Item 21 may be required if there are any confidential matters that require to be discussed outwith the public domain. The Chair will inform the meeting in public at the start of the meeting if this item is required and what it covers.

MEETING: 9 JUNE 2022

REPORT BY: SECRETARY TO THE COMMISSION

MINUTES OF PREVIOUS MEETING

Introduction

1. This paper presents for the Commission's approval the draft minutes of the previous meeting of the Commission along with a summary of matters arising from those minutes.

Minutes

2. The Commission agreed at its April meeting that matters arising from previous minutes be set out in a written report.
3. The minute of the previous meeting is in **Appendix 1**. A summary of matters arising is in **Appendix 2**.
4. Members should note that the action tracker – available on the member Sharepoint site and also provided to members on a monthly basis – provides updates on progress from previous meetings.

Conclusion

5. The Commission is asked to:
 - a) Approve the attached draft minute of its previous meeting.
 - b) Note the summary of the matters arising, as well as any other updates provided at today's meeting.

Paul Reilly
Secretary to the Commission
1 June 2022

MEETING: 9 JUNE 2022

MINUTES OF PREVIOUS MEETING

Minutes of the 489th meeting of the Accounts Commission held via 'hybrid' (in-person and online) meeting, in the offices of Audit Scotland at 102 West Port, Edinburgh and online on Thursday 12 May 2022 at 9.30am.

PRESENT: William Moyes (Chair)
 Andrew Burns
 Andrew Cowie
 Sophie Flemig *
 Christine Lester
 Sharon O'Connor
 Geraldine Wooley
 * Online

IN ATTENDANCE: Paul Reilly, Secretary to the Accounts Commission
 Antony Clark, Interim Controller of Audit and Director of Performance Audit and Best Value (PABV)
 Elaine Boyd, Director, Audit Quality and Appointments (AQA) (items 12 and 13)
 Carol Calder, Audit Director, PABV (item 16)
 Blyth Deans, Audit Manager, PABV (items 11 and 14)
 John Gilchrist, Manager, AQA (items 12 and 13)
 Chris Lewis, Senior Auditor, PABV (item 11)
 Carolyn McLeod, Audit Director, PABV (item 10)
 Tricia Meldrum, Senior Manager, PABV (item 10)
 Owen Smith, Senior Manager, AQA (items 12 and 13)

Item Subject

1. Apologies for absence
2. Declarations of interest
3. Order of business
4. Minutes of meeting of 7 April 2022
5. Audit Scotland Board update
6. Secretary's update report
7. Chair's update report
8. Interim Controller of Audit's update report
9. Any other public business
10. Mainstreaming equality and equality outcomes – interim progress report (in private)
11. Draft report – Integration Joint Boards financial analysis 2020/21 (in private)
12. Draft report – Quality of public audit in Scotland (in private)
13. New audit appointments: revised audit portfolios 2022/23 to 2026/27 (in private)
14. Local Government in Scotland: Overview 2022: promotion plan (in private)
15. Best Value update (in private)
 - a) Best Value Working Group update
 - b) Best Value thematic work
 - c) Best Value in Integration Joint Boards
16. Strategic Scrutiny Group update (in private)
17. Any other private business (in private)

1. Apologies for absence

It was noted that apologies for absence had been received from Sheila Gunn, Stephen Moore, and Tim McKay.

2. Declarations of interest

There were no declarations of interest.

3. Order of business

It was agreed that the following items be considered in private:

- Item 10 required the Commission to consider confidential policy matters relating to the operation of Audit Scotland.
- Item 11 proposed a draft publication for the Commission to consider in private before publishing.
- Item 12 proposed a draft report for the Commission to consider in private before subsequent consideration by the Audit Scotland Board and publishing thereafter.
- Item 13 required the Commission to consider confidential commercial and contractual matters.
- Items 14 proposed matters associated with a draft report for the Commission to consider in private before publishing.
- Items 15 and 16 required the Commission to consider confidential policy matters.

The Chair advised that there was no business for item 17.

4. Minutes of meeting of 7 April 2022

The minutes of the meeting of 7 April 2022 were approved as a correct record.

The Commission noted that there were no significant matters arising.

5. Audit Scotland Board update

The Commission considered a report by the Secretary providing an update on the business of the Audit Scotland Board.

Following discussion, the Commission noted the report.

6. Secretary's update report

The Commission considered a report by the Secretary providing an update on significant recent activity relating to local government and issues of relevance or interest across the wider public sector.

The Commission noted advice from the Secretary that, in line with the approach agreed with Commission members, members had been given the opportunity to provide queries on the Secretary's report in advance of the meeting, a response to which he would circulate to members.

Following discussion, the Commission:

- Agreed not to respond to the consultations highlighted at paragraphs 20 and 53 of the report.
- Noted the report.

Action: Secretary

7. Chair's update report

The Commission considered and noted a report by the Chair providing an update on recent and upcoming activity.

8. Interim Controller of Audit update report

The Commission considered and noted a report by the Interim Controller of Audit providing an update on recent and upcoming activity.

Following discussion, the Commission agreed:

- To note advice from the Controller, in response to a query from Geraldine Wooley, that he would continue to monitor matters associated with workforce planning in local government.
- In response to a query from Sophie Flemig, that the Interim Director of PABV report further on the progress of the Citizens' Assembly of Scotland.

Action: Interim Director of PABV

- To note advice from the Chair that he was considering the efficiency and effectiveness of the Commission's officer and member meetings with individual external stakeholders, upon which he would keep the Commission updated.

9. Any other public business

The Chair, having advised that there was no business for this item, closed the public part of the meeting.

The livestream of the meeting was stopped at this point.

10. Mainstreaming equality and equality outcomes – interim progress report (in private)

The Commission considered a report by the Chair of Audit Scotland's Equalities and Human Rights Steering Group (EHRSG) providing an update on the delivery of the equality outcomes that the Commission and Audit Scotland published in April 2021.

During discussion, the Commission:

- Noted advice from the EHRSG Chair, in response to a query from Christine Lester, that she would provide further information on how refugees and care-experienced young people feature in the Audit Scotland outcome 2, namely 'We will increase the diversity of people into Audit Scotland and their progression through every level of our organisation'.

Action: EHRSG Chair

- Noted advice from the EHRSG Chair, in response to a query from Sophie Flemig, that she would further consider how Audit Scotland can use benchmarking against other organisations in relation to Audit Scotland outcome 2 and outcome 3, namely 'We will broaden our culture of diversity and inclusion, so all employees feel valued, engaged and contribute', upon which she would report further.

Action: EHRSG Chair

- Noted advice from the EHRSG Chair, in response to a query from Sophie Flemig, that the Commission should consider how its own communication and engagement strategy could help Audit Scotland achieve its outcomes 2 and 3.

Action: Commission Secretary and EHRSG Chair

- Noted advice from the EHRSG Chair, in response to a point by William Moyes, that she would consider how, in communicating the mainstreaming equality and equality outcomes, to use language underlining commitment to the Public Sector Equality Duty as well as compliance.

Action: EHRSG Chair

Following discussion, the Commission:

- Noted the report.
- Noted that a full progress report will be presented to the Commission for approval in Spring 2023 with publication thereafter.

11. Draft report – Integration Joint Boards financial analysis 2020/21 (in private)

The Commission considered a report by the Interim Director of PABV proposing the draft financial analysis of Integration Joint Boards (IJBs) for 2020/21 and proposing the process for finalising the report.

During discussion, the Commission:

- Noted advice from the Interim Director, in response to a query from Christine Lester and William Moyes, that he would consider how to provide a longer-term analysis of finances of IJBs (i.e. since inception) in future audit reporting.

Action: Interim Director of PABV

Following discussion, the Commission:

- Approved the draft IJB financial analysis 2020/21 report, subject to the report team addressing in conjunction with the report sponsors, William Moyes and Tim McKay, the points raised in discussion.
- Agreed the process for finalising the report, including sharing with Commission members for their information the final promotion plan agreed with the sponsors.

Actions: Interim Director of PABV

12. Draft report – Quality of public audit in Scotland (in private)

The Commission considered a report by the Director, Audit Quality and Appointments (AQA) presenting for comment and endorsement the draft *Quality of public audit in Scotland* (QPAS) 2022 report and the draft internal supplementary 2022 report.

During discussion, the Commission:

- Noted that the Director AQA and Secretary would liaise with Audit Scotland to ensure a response to the Commission on matters raised in discussion.

Action: Director AQA & Secretary

- Noted advice from the Senior Manager, AQA, in response to a query from William Moyes, that he was considering how to shape and present recommendations in these reports, upon which he would report further to the Commission in the forthcoming review of the Audit Quality Framework, to be considered by the Commission in November 2022.

Action: Senior Manager, AQA

- Noted advice from the Secretary that he would discuss with the Chair and Deputy Chair (as Chair of Financial Audit and Assurance Committee) how to develop liaison between the Commission and audit providers on the conduct and progress of the audit.

Action: Secretary

Following discussion, the Commission:

- Noted the report.
- Noted the areas for improvement.
- Agreed to endorse the QPAS annual report 2021/22.

Action: Director AQA

- Noted that the conclusions of the QPAS annual report will be used in the Commission's annual report, which will be considered at the June meeting.

Action: Secretary

13. New audit appointments: revised audit portfolios 2022/23 to 2026/27 (in private)

The Commission considered a report by the Director, AQA, proposing revised portfolios for the six firms to be contracted to carry out the 2022/23 to 2026/27 audits.

During discussion, the Commission:

- Noted advice from the Director, in response to a query from Geraldine Wooley, about how the proposed portfolios reflected requirements in relation to the audit of Public Interest Entities.
- Noted advice from the Director, in response to a query from William Moyes, about how conflicts of interest that arise after appointments are made are dealt with.

Following discussion, the Commission approved the appointment portfolios for the 2022/23 to 2026/27 audits.

Action: Director AQA

14. Local Government in Scotland: Overview 2022: promotion plan (in private)

The Commission considered a report by the Interim Director of PABV proposing a promotion plan for the Local Government in Scotland Overview 2022.

During discussion, the Commission:

- Noted advice from the Secretary, in response to a query from Christine Lester, that proposals on measuring and reporting the impact of Commission reports would be discussed as part of the Commission's quarterly consideration of the work programme at its June meeting.
- Noted advice from the Chair on his ambitions for the Commission to develop more post-publication activity - such as symposiums and round table initiatives - around how recommendations from overview work are progressed by local government.
- Noted advice from the Secretary, in response to points made by Andrew Burns and Christine Lester, about how new elected members (i.e. those elected at the May 2022 local government election) would be made aware of the Commission's work.

Following discussion, the Commission:

- Agreed the promotion plan.

- Agreed that the audit team progress the plan through working with sponsors and in conjunction with the Commission Support Team and Communications Team as appropriate.

Action: Interim Director of PABV, Secretary and Communications Team

15. Best Value update (in private)

The Commission considered a report by the Secretary providing an update on Best Value matters, namely: (a) the work of the Best Value Working Group (BVWG); (b) proposals for Best Value thematic work; and (c) proposals for Best Value auditing of health and social care integration joint boards (IJBs).

During discussion, the Commission:

- Agreed that the Interim Director provide more detail of a timeline setting out a schedule of reporting of the agreed outputs.

Action: Interim Director of PABV

- Agreed that the schedule of proposals be promoted.

Action: Interim Director of PABV and Secretary

Following discussion, the Commission:

- Noted the latest conclusions of the BVWG.
- Noted the outcome of the consultation with appointed auditors on Best Value thematic work.
- Accordingly, agreed that 'leadership of the development of new local strategic priorities' be the basis of Best Value thematic work for 2022/23, for reporting to the Commission in Spring 2024.

Action: Interim Controller of Audit

- Agreed the recommendations of the BVWG in relation to auditing IJBs, essentially to not proceed with the previously planned approach to roll out auditing of BV in IJBs and, as a replacement, to implement a wider programme of audit work as set out in the report.

Action: Interim Director of PABV and Interim Controller of Audit

16. Strategic Scrutiny Group update

The Commission considered a report by the Secretary to the Strategic Scrutiny Group (SSG) providing an update on the recent work of the group.

During discussion, the Commission:

- Agreed that the Commission have further discussion at a future meeting on the areas of review that the Chair is discussing with members of the SSG.

Action: Commission Secretary and SSG Secretary

Following discussion, the Commission noted the report.

17. Any other private business

The Chair, having advised that there was no business for this item, closed the meeting.

Close of meeting

The meeting closed at 2:30pm.

Matters Arising – May 2022 Commission Meeting

Action	Action by:	Update
8. Interim Controller of Audit update report		
In response to a query from Sophie Flemig, that the Interim Director of PABV report further on the progress of the Citizens' Assembly of Scotland.	Interim Director of PABV	Meeting to be arranged with Citizen's Assembly of Scotland and update to be provided thereafter.
10. Mainstreaming equality and equality outcomes – interim progress report		
Noted advice from the Equalities and Human Rights Steering Group (EHRSG) Chair, in response to a query from Christine Lester, that she would provide further information on how refugees and care-experienced young people feature in the Audit Scotland outcome 2, namely 'We will increase the diversity of people into Audit Scotland and their progression through every level of our organisation'.	EHRSG Chair	Our recruitment campaigns for all roles within Audit Scotland aim to attract a wide range of talent by advertising through targeted agencies and job boards. We aim to include additional support to underrepresented groups through application mentoring
Noted advice from the EHRSG Chair, in response to a query from Sophie Flemig, that she would further consider how Audit Scotland can use benchmarking against other organisations in relation to Audit Scotland outcome 2 and outcome 3, namely 'We will broaden our culture of diversity and inclusion, so all employees feel valued, engaged and contribute', upon which she would report further.	EHRSG Chair	Benchmarking will be completed through work with our partner, who will be procured as part of our Diversity and Inclusion Action plan. Additional data capture identified within our plan will also assist this measurement. Consideration will be required of additional underrepresented groups identified
Noted advice from the EHRSG Chair, in response to a query from Sophie Flemig, that the Commission should consider how its own communication and engagement strategy could help Audit Scotland achieve its outcomes 2 and 3.	Commission Secretary and EHRSG Chair	Commission to consider as relevant opportunities arise. Opportunity will also be taken to discuss with EHRSG.

Action	Action by:	Update
Noted advice from the EHRSG Chair, in response to a point by William Moyes, that she would consider how, in communicating the mainstreaming equality and equality outcomes, to use language underlining commitment to the Public Sector Equality Duty as well as compliance.	EHRSG Chair	To be considered in future communications.
11. Draft report – Integration Joint Boards financial analysis 2020/21		
Noted advice from the Interim Director, in response to a query from Christine Lester and William Moyes, that he would consider how to provide a longer-term analysis of finances of IJBs (i.e. since inception) in future audit reporting.	Interim Director of PABV	Consideration of how best to report the long-term analysis of IJB finances will form part of scoping for the 2021/22 IJB financial analysis.
Agreed the process for finalising the report, including sharing with Commission members for their information the final promotion plan agreed with the sponsors.	Interim Director of PABV	We plan to share the finalised draft and proposed promotion plan electronically with Commission members once agreed by sponsors.
12. Draft report – Quality of public audit in Scotland (in private)		
Noted that the Associate Director AQA and Secretary would liaise with Audit Scotland to ensure a response to the Commission on matters raised in discussion.	Associate Director AQA & Secretary	Liaison has taken place with the Auditor General and Executive Director of Audit Services Group (ASG). The Associate Director AQA will attend the August meeting of the Commission to report on the improvements planned by the Executive Director of ASG, with a view to the Commission liaising directly with the Executive Director thereafter.
Noted advice from the Senior Manager, AQA, in response to a query from William Moyes, that he was considering how to shape and present recommendations in these reports, upon which he would report further to the Commission in the forthcoming review of the Audit Quality Framework (AQF), to be considered by the Commission in November 2022.	Senior Manager, AQA	AQA beginning review of AQF in June which will include form of recommendations. On course for reporting to Commission in November 2022.

Action	Action by:	Update
Noted advice from the Secretary that he would discuss with the Chair and Deputy Chair (as Chair of Financial Audit and Assurance (FAA) Committee) how to develop liaison between the Commission and audit providers on the conduct and progress of the audit.	Secretary	Being discussed with the Chair and Deputy Chair with a view to reporting at the August meeting of FAA Committee.
Noted that the conclusions of the QPAS annual report will be used in the Commission's annual report, which will be considered at the June meeting.	Secretary	Draft annual report on today's agenda.
14. Local Government in Scotland: Overview 2022: promotion plan (in private)		
Agreed that the audit team progress the plan through working with sponsors and in conjunction with the Commission Support Team and Communications Team as appropriate.	Interim Director of PABV, Secretary and Communications Team	Local Government Overview 2022 report published as planned on 25 May 2022. Promotional activity underway, including publication of the Chair's Blog on 1 June 2022. Date also secured for elected member roundtable event with the Improvement Service. This will take place on 3 August 2022. The audit team will work with sponsors, the Commission Support Team and Communications Team colleagues throughout the coming weeks and months to progress the remainder of the plan.
15. Best Value update (in private)		
Agreed that the Interim Director provide more detail of a timeline setting out a schedule of reporting of the agreed outputs.	Interim Director of PABV	Summary of reporting programme for the BVAR legacy report, CoA Bv reports, the AARR and the LGO package approved by the Commission in February 2022. Proposed programme of Controller of Audit BV reports for individual councils to be discussed with the BVWG in June for endorsement by the Commission in August 2022.
Agreed that the schedule of proposals be promoted.	Interim Director of PABV and Secretary	Discussed with auditors in a range of forums. 2022/23 BV reporting requirements will be included in the 2022/23 planning guidance in Autumn 2022. This will also feature in engagement with external stakeholders.

Action	Action by:	Update
<p>Following discussion, the Commission accordingly, agreed that 'leadership of the development of new local strategic priorities' be the basis of Best Value thematic work for 2022/23, for reporting to the Commission in Spring 2024.</p>	<p>Interim Controller of Audit</p>	<p>The BV development group are now producing the audit programme, and supporting guidance, to be used by auditors from October 2022. This will be published alongside the 2022/23 planning guidance in autumn 2022.</p> <p>All auditors are to prepare a thematic BV report for the councils and a summary is to be included in the 2022/23 annual audit reports for October 2023. The CoA will report findings in spring 2024 in the AARR and as part of the LGO reporting package.</p>
<p>Agreed the recommendations of the BVWG in relation to auditing IJBs, essentially to not proceed with the previously planned approach to roll out auditing of BV in IJBs and, as a replacement, to implement a wider programme of audit work as set out in the report.</p>	<p>Interim Director of PABV and Interim Controller of Audit</p>	<p>Proceeding as per the report.</p>
<p>16. Strategic Scrutiny Group update</p>		
<p>Agreed that the Commission have further discussion at a future meeting on the areas of review that the Chair is discussing with members of the SSG.</p>	<p>Commission Secretary and SSG Secretary</p>	<p>Report at this meeting.</p>

Matters Arising – May 2022 Commission Meeting

Action	Action by:	Update
8. Interim Controller of Audit update report		
In response to a query from Sophie Flemig, that the Interim Director of PABV report further on the progress of the Citizens' Assembly of Scotland.	Interim Director of PABV	Meeting to be arranged with Citizen's Assembly of Scotland and update to be provided thereafter.
10. Mainstreaming equality and equality outcomes – interim progress report		
Noted advice from the EHRSG Chair, in response to a query from Christine Lester, that she would provide further information on how refugees and care-experienced young people feature in the Audit Scotland outcome 2, namely 'We will increase the diversity of people into Audit Scotland and their progression through every level of our organisation'.	EHRSG Chair	Our recruitment campaigns for all roles within Audit Scotland aim to attract a wide range of talent by advertising through targeted agencies and job boards. We aim to include additional support to underrepresented groups through application mentoring
Noted advice from the EHRSG Chair, in response to a query from Sophie Flemig, that she would further consider how Audit Scotland can use benchmarking against other organisations in relation to Audit Scotland outcome 2 and outcome 3, namely 'We will broaden our culture of diversity and inclusion, so all employees feel valued, engaged and contribute', upon which she would report further.	EHRSG Chair	Benchmarking will be completed through work with our partner, who will be procured as part of our Diversity and Inclusion Action plan. Additional data capture identified within our plan will also assist this measurement. Consideration will be required of additional underrepresented groups identified
Noted advice from the EHRSG Chair, in response to a query from Sophie Flemig, that the Commission should consider how its own communication and engagement strategy could help Audit Scotland achieve its outcomes 2 and 3.	Commission Secretary and EHRSG Chair	Commission to consider as relevant opportunities arise.

Action	Action by:	Update
Noted advice from the EHRSG Chair, in response to a point by William Moyes, that she would consider how, in communicating the mainstreaming equality and equality outcomes, to use language underlining commitment to the Public Sector Equality Duty as well as compliance.	EHRSG Chair	To be considered in future communications.
11. Draft report – Integration Joint Boards financial analysis 2020/21		
Noted advice from the Interim Director, in response to a query from Christine Lester and William Moyes, that he would consider how to provide a longer-term analysis of finances of IJBs (i.e. since inception) in future audit reporting.	Interim Director of PABV	Consideration of how best to report the long-term analysis of IJB finances will form part of scoping for the 2021/22 IJB financial analysis.
Agreed the process for finalising the report, including sharing with Commission members for their information the final promotion plan agreed with the sponsors.	Interim Director of PABV	We plan to share the finalised draft and proposed promotion plan electronically with Commission members once agreed by sponsors.
12. Draft report – Quality of public audit in Scotland (in private)		
Noted that the Associate Director AQA and Secretary would liaise with Audit Scotland to ensure a response to the Commission on matters raised in discussion.	Associate Director AQA & Secretary	Liaison has taken place with the Auditor General and Executive Director of Audit Services Group (ASG). The Associate Director AQA will attend the August meeting of the Commission to report on the improvements planned by the Executive Director of ASG, with a view to the Commission liaising directly with the Executive Director thereafter.
Noted advice from the Senior Manager, AQA, in response to a query from William Moyes, that he was considering how to shape and present recommendations in these reports, upon which he would report further to the Commission in the forthcoming review of the Audit Quality Framework (AQF), to be considered by the Commission in November 2022.	Senior Manager, AQA	AQA beginning review of AQF in June which will include form of recommendations. On course for reporting to Commission in November 2022.

Action	Action by:	Update
Noted advice from the Secretary that he would discuss with the Chair and Deputy Chair (as Chair of Financial Audit and Assurance (FAA) Committee) how to develop liaison between the Commission and audit providers on the conduct and progress of the audit.	Secretary	Being discussed with the Chair and Deputy Chair with a view to reporting at the August meeting of FAA Committee.
Noted that the conclusions of the QPAS annual report will be used in the Commission's annual report, which will be considered at the June meeting.	Secretary	Draft annual report on today's agenda.
14. Local Government in Scotland: Overview 2022: promotion plan (in private)		
Agreed that the audit team progress the plan through working with sponsors and in conjunction with the Commission Support Team and Communications Team as appropriate.	Interim Director of PABV, Secretary and Communications Team	Local Government Overview 2022 report published as planned on 25 May 2022. Promotional activity underway, including publication of the Chair's Blog on 1 June 2022. Date also secured for elected member roundtable event with the Improvement Service. This will take place on 3 August 2022. The audit team will remain in contact with sponsors, the Commission Support Team and Communications Team colleagues throughout the coming weeks and months to progress the remainder of the plan.
15. Best Value update (in private)		
Agreed that the Interim Director provide more detail of a timeline setting out a schedule of reporting of the agreed outputs.	Interim Director of PABV	Summary of reporting programme for the BVAR legacy report, CoA Bv reports, the AARR and the LGO package approved by the Commission in February 2022. Proposed programme of Controller of Audit BV reports for individual councils to be discussed with the BVWG in June for endorsement by the Commission in August 2022.
Agreed that the schedule of proposals be promoted.	Interim Director of PABV and Secretary	Discussed with auditors in a range of forums. 2022/23 BV reporting requirements will be included in the 2022/23 planning guidance in Autumn 2022.

Action	Action by:	Update
<p>Following discussion, the Commission accordingly, agreed that 'leadership of the development of new local strategic priorities' be the basis of Best Value thematic work for 2022/23, for reporting to the Commission in Spring 2024.</p>	<p>Interim Controller of Audit</p>	<p>The BV development group are now producing the audit programme, and supporting guidance, to be used by auditors from October 2022. This will be published alongside the 2022/23 planning guidance in autumn 2022.</p> <p>All auditors are to prepare a thematic BV report for the councils and a summary is to be included in the 2022/23 annual audit reports for October 2023. The CoA will report findings in spring 2024 in the AARR and as part of the LGO reporting package.</p>
<p>Agreed the recommendations of the BVWG in relation to auditing IJBs, essentially to not proceed with the previously planned approach to roll out auditing of BV in IJBs and, as a replacement, to implement a wider programme of audit work as set out in the report.</p>	<p>Interim Director of PABV and Interim Controller of Audit</p>	<p>Proceeding as per the report.</p>
16. Strategic Scrutiny Group update		
<p>Agreed that the Commission have further discussion at a future meeting on the areas of review that the Chair is discussing with members of the SSG.</p>	<p>Commission Secretary and SSG Secretary</p>	<p>Report and discussion scheduled for June 2022.</p>

MEETING: 9 JUNE 2022

REPORT BY: SECRETARY TO THE COMMISSION

MINUTES OF MEETINGS OF COMMISSION COMMITTEES OF 26 MAY 2022

Introduction

1. This paper presents for the Commission's approval the draft minutes of the meetings of the Commission's two committees on 26 May 2022.
2. The Commission is also asked to consider approving the recommendations made by both committees to the Commission, as detailed below.

Minutes

3. The minutes attached are as follows:
 - Financial Audit and Assurance Committee (FAAC) Appendix 1
 - Performance Audit Committee (PAC) Appendix 2
4. The Commission is asked to approve these minutes and consider any matters arising.

Recommendations

5. In approving the minutes of the committees, the Commission is deemed to be endorsing the decisions reached by the committees, subject to approving any specific recommendations.

Financial Audit and Assurance Committee

6. The FAAC agreed to make the following specific recommendations to the Commission:
 - Item 4: that matters in relation to the appointment of Depute Monitoring Officers by Comhairle nan Eilean Siar be considered for reporting publicly by the Commission following publication of the annual audit report for 2021/22.

Performance Audit Committee

7. The PAC agreed to make the following specific recommendations to the Commission:
 - Item 4:
 - It consider how contingency planning features in its work programme (point raised by Sheila Gunn).
 - It seek advice from the Improvement Service on what activities it is planning for councils in relation to this matter, including the scope for joint working with the Commission.
 - The Executive Director of PABV report, as part of the Commission's consideration of the work programme, on how audit work and reporting reflect:
 - the experience of vulnerable people (Stephen Moore)

- the experience of the third sector in its engagement with local government and provision of services (Sophie Flemig)
- how to present a concept of a 'post-pandemic council' including an acknowledgement of risks around the sustainability of councils after the exhaustion of the additional resources received to respond to the pandemic (Stephen Moore).
- To demonstrate the Commission's leading role in providing independent assurance in this regard, the work programme feature more blogs and opinion pieces.
- It consider how to make use of previous published Commission reports on arm's-length external organisations to help highlight the financial pressures faced by such bodies (Stephen Moore).
- The Chair and Secretary give further thought to how the Commission's position in this regard is more effectively communicated and promoted, including:
 - how the paper could be used in published format
 - how such matters feature in stakeholder engagement events.

Conclusion

8. The Commission is asked to:
- a) Approve the attached minutes and consider any matters arising.
 - b) Agree the committee recommendations in paragraphs 6 to 7.
 - c) Note any other updates provided at today's meeting.

Paul Reilly
Secretary to the Commission
1 June 2022

**MINUTES OF MEETING OF FINANCIAL AUDIT AND ASSURANCE COMMITTEE
OF 26 MAY 2022**

Minutes of meeting of the Financial Audit and Assurance Committee of the Accounts Commission held via online meeting on Thursday 26 May 2022 at 9.15am.

PRESENT: Tim McKay (Chair)
Andrew Cowie
William Moyes
Sharon O'Connor
Geraldine Wooley

IN ATTENDANCE: Paul Reilly, Secretary to the Account Commission
Antony Clark, Interim Controller of Audit
Adam Bullough, Audit Manager, Performance Audit and Best Value (PABV) (item 5)
Fiona Caffyn, Audit Officer, PABV (item 5)
Anne MacDonald, Senior Audit Manager, Audit Services Group (item 4)
Dharshi Santhakumaran, Correspondence Manager, PABV (item 5)

Item No Subject

1. Apologies for absence
2. Declarations of interest
3. Minutes of meeting of 24 February 2022
4. Current issues from the local authority audits
5. Intelligence report
6. Any other business

1. Apologies for absence

It was noted that no apologies for absence had been received.

2. Declarations of interest

No declarations of interest were made.

3. Minutes of meeting of 24 February 2022

The minutes of the meeting of 24 February 2022 were noted, the Commission having previously approved them as a correct record, and agreed the recommendations therein.

Arising therefrom, the Committee:

- In relation to item 5, noted advice from the Secretary, in response to a query from Tim McKay, that the technical guidance for the revised model form of Independent Auditor's Reports had been made available to members via email and SharePoint.
- In relation to item 7, noted advice from the Secretary that he was redesigning the regular risk assessment paper, to be part of the agenda of the next meeting of the Committee.

Action: Secretary

4. Current issues from the local authority audits

The Committee considered a report by the Interim Controller of Audit providing a summary of emerging issues and recurring themes across local authorities in Scotland.

During discussion, the Committee:

- Noted advice from the Secretary and Interim Controller of Audit, in response to a query from Willian Moyes, that matters in relation to the appointment of Depute Monitoring Officers by Comhairle nan Eilean Siar were to be reported in the annual audit report for 2021/22.
- Further in this regard agreed to recommend to the Commission that this matter be considered for reporting publicly by the Commission following publication of the annual audit report.

Action: Interim Controller of Audit & Secretary

- Noted advice from the Interim Controller of Audit that he had liaised with the appointed auditor of City of Edinburgh Council in relation to the reporting of progress of the actions being taken by the Council in response to the publication of the conclusion of the independent inquiry into complaints about the conduct of the late Sean Bell.
- Noted advice from the Interim Controller of Audit, in response to a query from Andrew Cowie, that he will report further on the implications for audit, inspection and scrutiny of the outcome of an investigation by City of Edinburgh Council's independent whistleblowing service provider which found serious failings in the operation of Edinburgh Secure Services.

Action: Interim Controller of Audit

- Noted advice from the Interim Controller of Audit that he had liaised with the appointed auditor of Scottish Borders Council in relation to how the auditor will report progress of the actions being taken by the Council in response to the publication of the conclusion of the independent inquiry into its handling of school assault allegations.

Action: Interim Controller of Audit

- Noted advice from the Secretary, in response to a query from Geraldine Wooley in relation to how workforce planning and shared services feature in the Commission's work programme, that there was opportunity for the matter to be discussed when the Commission updates the work programme at its June meeting.
- Noted advice from the Interim Controller of Audit, in response to query from Andrew Cowie, that he would liaise with the appointed auditor of Highland Council in relation to risks around the resilience of the Council following the announcement of the resignation of the Council's Executive Chief Officer – Resources and Finance.

Action: Interim Controller of Audit

Following discussion, the Committee:

- Noted the report, taking assurance that the auditors' responses detailed therein recognise the scope of the risk identified and reflects the impact on planned audit work.
- Agreed in particular not to recommend to the Commission to direct the Interim Controller of Audit on any matters arising.

5. Intelligence report

The Committee considered a report by the Secretary providing intelligence about councils from various sources including correspondence to Audit Scotland, the Scottish Public Sector Ombudsman, the Standards Commission for Scotland and the Scottish Information Commissioner.

During discussion, the Committee:

- Noted advice from the Secretary, in response to a query from William Moyes, that all of the information in his report is in the public domain.
- Noted advice from the Secretary, in response to a query from William Moyes, that he would consider how to provide pro-rata information in future reports.

Action: Secretary

- Noted advice from the Secretary, in response to a query from William Moyes, that he would consider further the clarity and accessibility of information and advice from the Commission and other appropriate bodies to citizens complaining about the public services.

Action: Secretary

- Noted advice from the Secretary, in response to a query from Tim McKay, that he would report back on the outcomes of investigations by the Scottish Public Sector Ombudsman on East Dunbartonshire Council.

Action: Secretary

Following discussion, the Committee

- Noted the report.
- Agreed that there were no matters requiring attention by the Commission.

Action: Secretary

6. Any other business

The Chair then, having advised that there was no further business for this item, closed

the meeting.

Close of meeting

The meeting finished at 10.20am.

**MINUTES OF MEETING OF PERFORMANCE AUDIT COMMITTEE
OF 26 MAY 2022**

Minutes of meeting of the Performance Audit Committee of the Accounts Commission held via online meeting on Thursday 26 May 2022, at 11.15am.

PRESENT: William Moyes (in the chair)
Andrew Burns
Sophie Flemig
Sheila Gunn
Stephen Moore

IN ATTENDANCE: Paul Reilly, Secretary to the Commission
Antony Clark, Executive Director of Performance Audit and Best Value (PABV)
Carol Calder, Audit Director, PABV (item 4)
Leigh Johnston, Senior Manager, PABV (item 5)
Mark MacPherson, Interim Audit Director, PABV (item 4)
Mark Roberts, Audit Director, PABV (item 4)
Eva Thomas-Tudo, Audit Manager, PABV (Item 5)
Catherine Young, Senior Manager, PABV (item 4)

<u>Item no.</u>	<u>Subject</u>
1.	Apologies for absence
2.	Declarations of interest
3.	Minutes of meeting of 24 February 2022
4.	Policy cluster briefing: the impact of Covid-19 and the increasing cost of living on service delivery and the financial sustainability of councils
5.	Performance audit: scope and approach – Adult mental health
6.	Any other business

1. Apologies for absence

It was noted that Christine Lester and Tim McKay had submitted apologies for absence. It was further noted that William Moyes would assume the chairing of the meeting in the absence of Christine Lester.

2. Declarations of interest

No declarations of interest were made.

3. Minutes of meeting of 24 February 2022

The minutes of the meeting of 24 February 2022 were noted, the Commission having previously approved them as a correct record, and agreed the recommendations therein.

Arising therefrom, the Committee:

- In relation to item 4 (first and fourth bullet points), noted advice from Sophie Flemig that she and Andrew Burns were discussing with the report team how to feature human rights considerations and matters associated with United Nations Convention on the Rights of the Child in the planned briefing on child poverty, a draft of which would be considered by the Commission at its August meeting.
- In relation to item 4 (second bullet point), noted advice from the Secretary that a 'stress testing' approach to public services in relation to the financial and social impact of Covid-19 would be part of the paper at item 4.
- In relation to item 4 (third bullet point), noted advice from Sophie Flemig that she was liaising with Audit Scotland on how to further develop the approach to public involvement and participation in audit work
- In relation to item 4 (fourth bullet point), noted advice from the Executive Director of PABV that Audit Scotland were monitoring the effect of the planned reform of social care on relationships between local government, Scottish Government and the third sector.
- In relation to item 4 (fifth bullet point), noted advice from the Secretary that the effect of the planned reform of social care on relationships between local government, Scottish Government and the third sector was considered by the Commission at its May meeting when it approved an approach to auditing and reporting on social care.
- In relation to item 8, noted advice from the Secretary that he was redesigning the regular risk assessment paper, to be part of the agenda of the next meeting of the Committee.
- Further in this regard, in response to a query from Sheila Gunn, noted advice from the Secretary and William Moyes on how readiness of the Commission and the public sector to a future significant event like the Covid-19 pandemic featured in the Commission's risk reporting and in its work programme.

4. Policy cluster briefing: the impact of Covid-19 and the increasing cost of living on service delivery and the financial sustainability of councils

The Committee considered a report by the Executive Director of PABV providing an update on key risks relating to the impact of Covid-19 and the increasing cost of living on service delivery and the financial sustainability of councils and summarising how these risks are being considered as part of the work programme.

During discussion, the Committee agreed to recommend to the Commission that:

- It consider how contingency planning features in its work programme (point raised by Sheila Gunn).

Action: Executive Director of PABV & Secretary

- It seek advice from the Improvement Service on what activities it is planning for councils in relation to this matter, including the scope for joint working with the Commission.

Action: Executive Director of PABV & Secretary

- The Executive Director of PABV report, as part of the Commission's consideration of the work programme, on how audit work and reporting reflect:
 - the experience of vulnerable people (Stephen Moore)
 - the experience of the third sector in its engagement with local government and provision of services (Sophie Flemig)
 - how to present a concept of a 'post-pandemic council' including an acknowledgement of risks around the sustainability of councils after the exhaustion of the additional resources received to respond to the pandemic (Stephen Moore).

Action: Executive Director of PABV

- To demonstrate the Commission's leading role in providing independent assurance in this regard, the work programme feature more blogs and opinion pieces.

Action: Executive Director of PABV

- It consider how to make use of previous published Commission reports on arm's-length external organisations to help highlight the financial pressures faced by such bodies (Stephen Moore).

Action: Executive Director of PABV & Secretary

- The Chair and Secretary give further thought to how the Commission's position in this regard is more effectively communicated and promoted, including:
 - how the paper could be used in published format
 - how such matters feature in stakeholder engagement events.

Action: Secretary

Following discussion, the Committee noted the report.

5. Performance audit – scope and approach – Adult mental health

The Committee considered a report by the Executive Director of PABV proposing an approach to the performance audit, joint with the Auditor General, on adult mental health.

During discussion, the Committee:

- Noted advice from the audit team around likely challenges associated with the availability and adequacy of data.

Following discussion, the Committee:

- Agreed that the audit team further discuss with the audit sponsors, William Moyes and Christine Lester, the scope of the audit.
- Agreed that the audit team also consider in conjunction with the audit sponsors the matters raised in discussion, with a view to the Committee considering for ratifying at its August meeting the audit scope (including audit flyer and issues and investigations matrix).
- Agreed the process for further development of the audit, including emerging messages being considered by the sponsors and Auditor General in October 2022 and draft report considered by the Accounts Commission in Spring 2023.

Action: Executive Director of PABV

6. Any other business

The Commission Chair noted that this would be Mark Roberts' last meeting with the Committee before he left Audit Scotland, and thus conveyed the thanks of the Commission to Mark and its best wishes to him for his future career.

He then, having advised that there was no business for this item, closed the meeting.

7. Close of meeting

The meeting finished at 12.05pm.

MEETING: 9 JUNE 2022

REPORT BY: SECRETARY TO THE COMMISSION

AUDIT SCOTLAND BOARD UPDATE

Purpose

1. This report provides an update on the business of the Audit Scotland Board.

Background

2. Audit Scotland is established in statute to “provide such assistance and support as the Auditor General and the Accounts Commission require in the exercise of their respective functions and, in particular, is to provide them, or ensure that they are provided, with the property, staff and services which they require for the exercise of those functions”.¹
3. Audit Scotland (i.e. its Board) consists of the Auditor General for Scotland, the Chair of the Commission, and three other members.² These three members, including a Chair, are appointed by the Scottish Commission for Public Audit.³
4. As well as being a member of Audit Scotland’s Board, the Commission Chair is also a member of its two committees, the Audit Committee and the Human Resources and Remuneration Committee.
5. In [Public Audit in Scotland](#)⁴, the Commission, the Auditor General for Scotland and Audit Scotland set out how they together deliver public audit in Scotland. They state that “by working together and each fulfilling our distinct roles, the Auditor General, the Accounts Commission and Audit Scotland will ensure a strong system of public audit works to support transparency and promote improvement in the performance of public bodies.”
6. To this end, the Commission at its meetings considers for its interest the business of Audit Scotland Board.

Current Board business

7. This report provides the Commission with the latest available minutes from the meeting of the Audit Scotland Board, in this case the meetings of 5 April 2022 and 17 May 2022. They are attached in Appendix 1 and Appendix 2.
8. The most recent meeting of the Board was on 1 June 2022, but the minutes of this meeting are not yet publicly available as they are yet to be ratified by the Board. They will be available after the next Board meeting on 28 September 2022 and considered by the Commission at its October meeting.

¹ Public Finance and Accountability (Scotland) Act 2000, Section 10(3).

² Public Finance and Accountability (Scotland) Act 2000, Section 10(2).

³ The Scottish Commission for Public Audit was established under Section 12 of the Public Finance and Accountability (Scotland) Act 2000 and is made up of 5 MSPs. Its main areas of responsibility are to (a) examine Audit Scotland’s proposals for the use of resources and expenditure and report on them to the Parliament; (b) appoint an auditor to audit the accounts of Audit Scotland; (c) lay these accounts and auditor’s report before the Parliament; and (d) appoint three of the five members of Audit Scotland’s Board, including its Chair.

⁴ *Public Audit in Scotland*, Accounts Commission, Auditor General and Audit Scotland, May 2015.

9. The Commission has agreed however that the agenda for the most recent Board meetings be provided (even if the minute is not yet available). The agenda is attached in Appendix 3. The Chair will provide a verbal update on any relevant business for members' interest and invites questions from members to this end.

Conclusion

10. The Commission is invited to consider this update for its interest and seek further information from the Chair as appropriate.

Paul Reilly
Secretary to the Commission
31 May 2022

Minutes Board



Tuesday 5 April 2022, 10.00am
Audit Scotland by Microsoft Teams

Present:

Alan Alexander (Chair)
Stephen Boyle
Colin Crosby
Jackie Mann
William Moyes

Apologies:

There were no apologies.

In attendance:

Martin Walker, Acting Director of Corporate Services
Stuart Dennis, Corporate Finance Manager
Simon Ebbett, Communications Manager
Gayle Fitzpatrick, Corporate Governance Manager
Ian Metcalfe, Corporate Governance Officer
Elaine Boyd, Associate Director, Audit Quality and Appointments
Kathrine Sibbald, Project Manager, Audit Quality and Appointments
Judith Strange, Cyan2 Limited

1. Private meeting of Board members

The Board met privately and there were no matters arising.

2. Welcome and apologies

Martin Walker, Acting Director of Corporate Services, Stuart Dennis, Corporate Finance Manager, Simon Ebbett, Communications Manager, Gayle Fitzpatrick, Corporate Governance Manager and Judith Strange, Board development facilitator, Cyan2 Limited, joined the meeting.

The Chair welcomed attendees to the meeting.

3. Declarations of interest

There were no declarations of interest.

4. Items to be taken in private

The Chair invited members to agree that the reports at items 22, 23 and 24 of the agenda be considered in private based for the reasons stated on the agenda. The members agreed.

5. Chair's report – verbal update

The Chair advised of regular meetings with Stephen Boyle, Auditor General for Scotland and Accountable Officer, with the Chair of the Accounts Commission and with Martin Walker on various corporate matters. The Chair reflected on the informal business planning session with the Scottish Commission for Public Audit on 23 February 2022 and the consensus to schedule a further discussion on Audit Scotland's corporate priorities, resources, and fees and funding model to be scheduled in late Summer 2022.

The Chair invited members to note the report at item 22 which provides an update on the lessons learned exercise agreed to be undertaken at the final meeting of the New Audit Appointments Steering Group on 22 February 2022.

The members were also invited to note the Chair's attendance at a meeting, with the Auditor General for Scotland, with the UK Public Accounts Commission held on 28 February 2022 and noted the focus of discussion was in relation to the quality of public audit.

In addition, the Chair advised of his attendance at the Audit Committee and Remuneration and Human Resources Committee meetings in March, an informal meeting with the non-executive members of the Board and advised of an informative meeting between himself, Colin Crosby and Stuart Dennis on financial matters.

Following discussion, the Board welcomed the update.

6. Accountable Officer's report – verbal update

Stephen Boyle advised of his regular engagement with the Chair and the Chair of the Accounts Commission and noted his appreciation of Board members' engagement and input to the ongoing executive recruitment campaigns.

Stephen invited members to note the level of activity in relation to publications including Covid funding for business, Social Care briefing, the National Health Service Overview and of attendance at the Public Audit Committee on these and Section 22 reports arising from 2021/22 audits.

Stephen invited members to note his external engagements, including a meeting with the Permanent Secretary to the Scottish Government and joint engagement lead for the bi-annual event with public sector non-executive directors. In addition, the members noted Stephen had joined Antony Clark, Director of Performance Audit and Best Value and Controller of Audit with Scottish Government representatives at a session on the implementation of the Christie Commission recommendations.

During discussion, the Board welcomed the extensive coverage of publications and agreed they would welcome sight of the regular communications digest prepared for Audit Scotland's Management Team.

7. Accounts Commission Chair's report – verbal update

William Moyes invited the Board to note that his onboarding programme continues.

William advised the Board of Accounts Commission reporting in relation to Orkney and Shetland Joint Valuation Board and advised of a meeting with elected members from Moray Council.

The members noted the Accounts Commission had undertaken a contingency business planning exercise and advised of ongoing engagement with the Communications Team to develop outputs and review the overall publication programme.

William provided a summary of the agenda for the Accounts Commission strategy session held on 29 and 30 March 2022.

Following discussion, the Board welcomed the update.

8. Review of minutes

Board meeting: 26 January 2022

The Board considered the minutes of the meeting of 26 January 2022, which had been previously circulated.

The Board approved the minutes as an accurate record of the meeting.

Audit Committee meeting: 10 November 2021

The Board noted the minutes of the Audit Committee meeting of 10 November 2021, which had been previously circulated.

The Board noted the minutes were an accurate record of the meeting.

Remuneration and Human Resources Committee meeting: 10 November 2021

(Considered in the **private section of the Board meeting**)

The Board noted the minutes of the Remuneration and Human Resources Committee meeting of 10 November 2021, which had been previously circulated.

The Board noted the minutes were an accurate record of the meeting.

9. Review of action tracker

The Board noted the updates provided on the action tracker.

The Chair invited the Board to note an amendment to Action ASB150 and ASB151 to reflect that both items were complete and, in relation to ASB149, Simon Ebbett would provide a verbal update under item 14 of today's agenda.

The Board welcomed the update.

10. Covid-19 update

Simon Ebbett joined the meeting.

Martin Walker introduced the Covid-19 update report, copies of which had been previously circulated.

Martin invited the Board to consider the report, the actions taken to date in response to the Covid-19 pandemic, the ongoing actions, and next steps.

The Board noted a number of positive cases confirmed by colleagues and welcomed the ongoing colleague engagement by way of Pulse Surveys, the Best Companies survey, and the ongoing programme of drop-in sessions with colleagues. Martin invited members to note that feedback from colleagues indicated that they are comfortable with, and reassured by, the Covid safe arrangements in Audit Scotland offices and with further consideration of longer-term arrangements for access to audit sites. The Board discussed the balance of the longer-term arrangements and managing expectations around the balance between attending workplaces, wellbeing, our carbon footprint, and productivity.

The Board noted the decision to stand down the separate weekly Incident Management Team meeting and welcomed the move to incorporate this as part of routine Management Team meetings with a commitment to share a communication with colleagues each week.

Following discussion, the Board welcomed the update and noted the actions taken to date in response to the Covid-19 pandemic, the ongoing actions and engagement and next steps.

Simon Ebbett left the meeting.

11. Strategic Improvement Programme update

Martin Walker introduced the Strategic Improvement Programme update report, copies of which had been previously circulated.

Martin invited the Board to note the progress reported on the Strategic Improvement Programme including key milestones for the New Audit Appointments (NAA), Building Capacity Phases 2 and 3, the go live of the new business management system and the next steps, including a review of workstreams and the overall programme in the Autumn.

During discussion, the Board noted the key milestones set out and welcomed the continued focus on quality, Audit Scotland's climate change obligations (and also noted both the Auditor General for Scotland and Accounts Commission's interest in this area) and noted that a further update on Audit Scotland's medium term financial plan was scheduled to come to the Board.

Following discussion, the Board welcomed the update and noted the progress reported together with next steps.

12. 2022/23 Operational budget

Stuart Dennis introduced the 2022/23 Operational budget report, copies of which had been previously circulated.

Stuart invited the Board to approve the 2022/23 operational budget and to note that any in-year budget adjustments will be scrutinised as part of the quarterly financial monitoring process going forward.

During discussion, the Board considered the operational budget in detail, noted the adjustment for the rent review of offices, recognised that the changes in the new audit appointments and pay award negotiations would be factored into the budget planning process. The members agreed there was a need to ensure that the management contingency is sufficient, recognising that the current level required careful management with a fully committed budget and that any increase in this for future years would need to be recovered through audit fees or Parliamentary funding.

The members noted the Accounts Commission request for engagement as the proposed budget and longer-term financial plan was developed as well as plans underway to develop the secretariat support for the Accounts Commission which may require additional funding and have implication for decisions on the allocation of funds held to meet contingencies.

Following discussion, the Board approved the 2022/23 operational budget and noted that any in-year budget adjustments will be scrutinised as part of the quarterly financial monitoring process.

13. Q3 Financial performance report

Stuart Dennis introduced the Q3 Financial performance report, copies of which had been previously circulated.

Stuart invited the Board to note the financial results for the nine months to 31 December 2021 which had been scrutinised by the Audit Committee at its meeting on 2 March 2022.

During discussion, the Board noted the updated work in progress levels were broadly in line with forecast.

Following discussion, the Board noted the financial results for the nine months to 31 December 2021.

14. Q3 Corporate performance report

Simon Ebbett re-joined the meeting and Ian Metcalfe joined the meeting.

Gayle Fitzpatrick introduced the Q3 Corporate performance report, copies of which had been previously circulated.

Gayle invited the Board to review the performance in quarter three and consider whether any additional management action is required.

During discussion, the Board welcomed the reformatting of the report to support Audit Scotland's accessibility obligations and the strong performance and impact reported.

In relation to the level of turnover reported, the members noted there was no sustained trend identified and in terms of the reported increase of 8.8% in audit costs noted that this is being monitored and will be reported further as part of the Q4 report. In addition, the Board welcomed the assurance around the process underpinning the quarterly review by the Performance Risk and Management Group and Management Team to ensure appropriate challenge and assessment, with an annual review of targets each year.

Simon Ebbett provided an update in relation to Action ASB149 on the action tracker and provided the Board with a summary of the impact of reporting through visits to Audit Scotland's website and downloads. Simon advised that download statistics showed a reduction of approximately 10% over the past six years and that this reflected a societal trend in how people access information, with increased social media engagement, the development of new products over that time and greater use of animations and videos which are easier to access. The members welcomed the overview and noted further development and innovation continues alongside consideration of metrics to measure impact.

Following discussion, the Board agreed a further discussion be scheduled in the Autumn.

Action ASB164: A further discussion to form part of a future Board strategic discussion. (August 2022)

15. Best Companies survey results

Martin Walker introduced the Best Companies survey results report, copies of which had been previously circulated.

Martin invited the Board to consider the high-level results presented following this year's colleague engagement survey.

During detailed discussion, the Board welcomed both the strong response rate and Audit Scotland's retention of being a 'One star organisation', which is defined as a 'Very Good' organisation to work for.

The members reflected on the overall results, key messages and engagement scores across all eight factors and welcomed the further engagement planned with the Leadership Group and within business groups, noted the proposal to develop actions to respond to some of the emerging messages and, recognising forthcoming changes to the leadership of the organisation, the value in restating organisational values and supporting wellbeing. The Board agreed a further update be scheduled.

Following discussion, the Board welcomed the overall results and the assurance that these were comparable to and consistent with other organisations as the country emerges from the pandemic.

16. Annual policy review of Freedom of Information and Environmental Information requests

Gayle Fitzpatrick introduced the Annual policy review of Freedom of Information and Environmental Information requests report, copies of which had been previously circulated.

Gayle invited the Board to approve Audit Scotland's Freedom of Information and Environmental Information Policy for a further year.

During discussion, the Board noted the proposed amendments to incorporate minor changes to operational arrangements and to comply with accessibility requirements.

Following discussion, the Board approved Audit Scotland's Freedom of Information and Environmental Information Policy for a further year.

17. Data Protection Policy

Gayle Fitzpatrick introduced the Data Protection Policy report, copies of which had been previously circulated.

Gayle invited the Board to approve the revised Data Protection Policy.

During discussion, the Board noted the minor amendments and compliance with accessibility requirements.

Following discussion, the Board approved the revised Data Protection Policy.

18. Scheme of Delegation and Management Team quorum

Martin Walker introduced the Scheme of Delegation and Management Team quorum report, copies of which had been previously circulated.

Martin invited the Board to consider the report and ratify its decision taken on 9 March 2022 via correspondence to amend the Scheme of Delegation.

Following discussion, the Board agreed to ratify its decision taken on 9 March 2022 via correspondence to amend the Scheme of Delegation.

19. Any other business

There was no other business for discussion.

20. Review of meeting

The members welcomed the quality, content and comprehensive nature of the reports in supporting helpful and detailed discussion.

The Board noted the experience of colleagues joining the meeting virtually and received assurance of upgrades to be implemented.

The Chair thanked everyone for their contributions.

21. Date of next meeting: 17 May 2022

The members noted the next meeting of the Audit Scotland Board is scheduled for 17 May 2022.

Items taken in private

22. New Audit Appointments – Lessons learned

Elaine Boyd, Associate Director, and Kathrine Sibbald, Project Manager, Audit Quality and Appointments, joined the meeting.

The Chair introduced the New Audit Appointments – Lessons learned report, copies of which had been previously circulated.

Elaine Boyd advised of engagement with stakeholders, the nature of a complex procurement exercise and welcomed views from the Board in terms of governance, leadership and communication from the Steering Group in order to capture these as part of the lessons learned work exercise.

The Chair advised invited members to consider and share comments with the team.

During discussion, the Board noted the regular updates provided to the Board throughout the project and the substantial assurance on the project arrangements received from BDO, Audit Scotland internal auditors. In terms of the process and approach to developing the Code of Audit Practice as part of the overall project, the members agreed they would welcome consideration of a mid-cycle review of the Code. The Board also welcomed a suggestion that, in future, consideration would be given to undertaking the revision of the Code separately from the procurement exercise for private firm of auditors.

Following discussion, the Board welcomed the report.

Elaine Boyd and Kathrine Sibbald left the meeting.

23. Audit Scotland Annual Report and Accounts 2021/22

Simon Ebbett introduced the Audit Scotland Annual Report and Accounts 2021/22 report, copies of which had been previously circulated.

Simon invited the Board to approve the suggested structure and themes and note the key dates for the drafting, submission and publication of Audit Scotland's Annual report and accounts.

The Board considered the proposed structure and themes of Audit Scotland's Annual report and accounts and following discussion approved the suggested structure and themes proposed.

24. Internal audit procurement

Gayle Fitzpatrick introduced the Internal audit procurement report, copies of which had been previously circulated.

Gayle invited the Board to approve the Audit Committee's recommendation regarding the appointment of internal auditors.

The Board noted the formal recommendation of the appointment from the Audit Committee.

Following discussion, the Board approved the Audit Committee's recommendation to appoint Wylie & Bisset as Audit Scotland's internal auditors following the conclusion of the procurement exercise.

Minutes Board

Tuesday 17 May 2022, 10.00am
Audit Scotland by Microsoft Teams

Present:

Alan Alexander (Chair)
Stephen Boyle
Colin Crosby
Jackie Mann
William Moyes

Apologies:

There were no apologies.

In attendance:

Martin Walker, Acting Director of Corporate Services
Stuart Dennis, Corporate Finance Manager
Carolyn McLeod, Audit Director, Performance Audit and Best Value
Tricia Meldrum, Senior Manager, Performance Audit and Best Value
Jillian Matthew, Senior Manager, Performance Audit and Best Value
Gayle Fitzpatrick, Corporate Governance Manager
David Robertson, Digital Services Manager
Nicola Paton, Digital Project Manager, Digital Services
Susan Burgess, Assistant Human Resources Manager
Elaine Boyd, Associate Director, Audit Quality and Appointments
Kathrine Sibbald, Project Manager, Audit Quality and Appointments

1. Private meeting of Board members

The Board met privately and there were no matters arising.

2. Welcome and apologies

Martin Walker, Acting Director of Corporate Services and Stuart Dennis, Corporate Finance Manager, joined the meeting.

The Chair welcomed attendees to the meeting.

3. Declarations of interest

There were no declarations of interest.

4. Items to be taken in private

The Chair invited members to agree that item 21 of the agenda be considered in private for the reasons stated on the agenda. The members agreed.

5. Chair's report – verbal update

The Chair advised of regular meetings with Stephen Boyle, Auditor General for Scotland and Accountable Officer, William Moyes, the Chair of the Accounts Commission, and Martin Walker, Acting Director of Corporate Services on various operational matters.

The chair noted his involvement in the recruitment process for the Chief Operating Officer (COO), which is now complete, and confirmed that an appointment has been made. This news will be made public internally and externally today.

In addition, the Chair advised of his attendance at the Audit Committee and Remuneration and Human Resources Committee meetings on 11 May.

Following discussion, the Board welcomed the update.

6. Accountable Officer's report – verbal update

Stephen Boyle advised that he was pleased with the appointment of the new COO and provided an update on other three executive posts. It was noted that the recruitment process was complete and offers had been made. Stephen advised that reports on these appointments would go to the Board today for approval. He also advised that the new executive team should be in place over the summer. Announcements will be made in the coming days on these appointments and the Chair suggested an overall announcement on our new Executive Team as a whole may also be useful. The Board noted its thanks to Nicola Constable for all her hard work with the Executive Team recruitment process.

Stephen advised of his regular engagement with the Chair and the Chair of the Accounts Commission.

Stephen invited members to note the high level of activity in relation to Parliamentary business and the various sessions attended, including Health & Sport Committee on NHS Overview report and a number of Public Audit Committee engagements including the report on the progress of delivery of ferries and the Social Care briefing. There have also been evidence sessions on NHS Highland, South Lanarkshire College S22 report and further sessions with the Scottish Government and HMRC on Scottish Income Tax.

Stephen advised that he had met with Colin Beattie, Chair of Scottish Commission Public Audit at end of April. This was following the visit from The Public Audit Commission (TPAC) from UK Parliament. At their meeting they explored what this may mean for SCPA's oversight of audit quality – further updates will be provided on this as appropriate.

Stephen invited members to note his other external engagements, including a further meeting with the Chief Executive of Scottish Futures Trust, which provides support and advice in respect of major infrastructure investment. The Scottish Government has confirmed that Scottish Futures Trust will become a body whose auditors will be appointed by the Auditor General of Scotland. Stephen also advised that we are anticipating that this will also be the case for Scotrail Holdings.

Stephen advised that the UK and Ireland Auditors General would be meeting in Dublin next week along with the respective Chief Operating Officers of the audit agencies.

It was noted that the Convenor of the Public Audit Committee, Richard Leonard will be visiting the Audit Scotland office in Edinburgh to learn more about Audit Scotland and meet with colleagues on 14 June and that Board members are welcome to participate in this session.

Following discussion, the Board welcomed the update.

7. Accounts Commission Chair's report – verbal update

William Moyes advised the Board a lot of his time in recent weeks had been put into working on the Accounts Commission Change Programme. Over the next few months, he plans to meet with as many of the Convenors of the Committees in Parliament as possible and have more discussions with COSLA, SOLACE and other stakeholders.

Following discussion, the Board welcomed the update.

8. Review of minutes

Board meeting: 5 April 2022

The Board considered the minutes of the meeting of 5 April 2022, which had been previously circulated.

One small change was noted.

The Board approved the minutes as an accurate record of the meeting.

Audit Committee meeting: 2 March 2022

The Board noted the minutes of the Audit Committee meeting of 2 March 2022, which had been previously circulated.

The Board noted the minutes were an accurate record of the meeting.

Remuneration and Human Resources Committee meeting: 2 March 2022

The Board noted the minutes of the Remuneration and Human Resources Committee meeting of 2 March 2022, which had been previously circulated.

The Board noted the minutes were an accurate record of the meeting.

9. Review of action tracker

The Board noted the updates provided on the action tracker and no further updates were required at the meeting.

The Board welcomed the update.

10. Covid-19 update

Martin Walker introduced the Covid-19 update report, copies of which had been previously circulated. Martin provided an update on the ONS Survey statistics up to week ending 7 May and advised that the date of next pulse survey should read 17 May not 17 June as in the report.

A discussion took place about the future need and focus for the update report and whether it would be required as a standing item.

The Board agreed it would be beneficial to have a discussion at a future meeting around the need for and provision of office workspaces. Stuart Dennis advised that an options appraisal is being produced and that this would come to Management Team and Board for approval. A progress update on all of this is to come to the Board in September for further discussion.

Following discussion, the Board welcomed the update and noted the actions taken to date in response to the Covid-19 pandemic, the ongoing actions, and next steps.

11. Mainstreaming equality and equality outcomes: Interim progress report

Carolyn McLeod, Audit Director, Performance Audit and Best Value, Jillian Matthew, Senior Manager, Performance Audit and Best Value and Tricia Meldrum, Senior Manager, Performance Audit and Best Value joined the meeting.

Carolyn McLeod introduced the Mainstreaming equality and equality outcomes: Interim progress report, copies of which had been previously circulated.

Carolyn invited the Board to note the interim report, share views on the interactive format, comment on the progress being made against the equality outcomes and note that a full progress report would be shared for comment ahead of publication in spring 2023.

Board members noted that they found the report very informative and welcomed the new format. Members also noted that areas of focus over the next year would be refreshing the audit management framework guidance for performance audits, looking at the analysis of feedback from internal workshops, noting that colleagues want to learn more about what is meant by a human rights-based approach (HRBA) and what that means for our work, and an analysis on gender pay gap reporting. Carolyn advised there is a need to think about how we build knowledge and understanding of equality impact assessments and that the key to this is tying in equalities with other cross cutting themes across the business including climate change and digital services.

The Board agreed that it would like to have a future session on the Humans Rights Approach and Carolyn will suggest an appropriate time for this to come to the Board.

Following discussion, the Board noted the report and that a full progress report will be shared for comment ahead of publication in spring 2023.

ACTION ASB165: Further Board session on HRBA to be arranged. (Date TBC)

Carolyn McLeod, Jillian Matthew and Tricia Meldrum left the meeting.

12. 2021/22 Annual report on information governance and security

Gayle Fitzpatrick, Corporate Governance Manager, and David Robertson, Digital Services Manager, joined the meeting.

Gayle Fitzpatrick introduced the 2021/22 Annual report on information governance and security, copies of which had been previously circulated.

Gayle invited the Board to consider the report and invited any questions. David Robertson advised that 60% of the current digital services projects are to deliver improvements in cyber security and cyber resilience. Members enquired about the digital security of staff using personal devices and it was noted this is a mitigated risk due to limitations on the information they can access and the authentication processes in place. The Board noted its concerns around the challenging cyber security environment. It was also noted that response rates to surveys could be improved, and comparison was made to the Best Companies survey. Gayle confirmed that employee training on information security is mandatory.

The members noted the report and advised that they look forward to a further scheduled session on this in September 2022.

David Robertson left the meeting.

13. Annual report on complaints 2021/22

Gayle Fitzpatrick introduced the Annual report on complaints 2021/22, copies of which had been previously circulated. Gayle advised that the number of complaints has increased slightly but they are still relatively low and that the complaints handling arrangements we have in place are working well.

Gayle invited the Board to consider the report.

Following discussion, the Board noted the report.

14. Annual report on Freedom of Information and Environmental Information 2021/22

Gayle Fitzpatrick introduced the Annual report on Freedom of Information and Environmental Information 2021/22, copies of which had been previously circulated.

Gayle invited the Board to consider the report and note the performance in 2021/22.

During discussion, the Board noted that we had not received any Environmental Information requests in the last year and Freedom of Information requests had risen slightly. Gayle provided more detail on the arrangements in place to deal with information requests and explained how many requests are dealt with as 'business as usual' and advised that Environmental Information Requests would be dealt with in the same way as a Freedom of Information requests.

Following discussion, the Board noted the report and the performance in 2021/22.

Gayle Fitzpatrick left the meeting.

15. Q4 Financial performance report

Stuart Dennis introduced the Q4 Financial performance report, copies of which had been previously circulated.

Stuart invited the Board to note the un-audited financial results for the twelve months to 31 March 2022.

During discussion, the Board noted that the external auditors would give their audit opinion next week. A question was asked around the provision being made in the

report and Stuart explained the process around expenses/costs and how we invoice for this.

Following discussion, the Board noted the report and the un-audited financial results for the twelve months to 31 March 2022.

16. Information Security Management Policy review

David Robertson, Digital Services Manager and Nicola Paton, Digital Project Manager, Digital Services, joined the meeting.

Nicola Paton introduced the Information Security Management Policy review report, copies of which had been previously circulated.

Nicola invited the Board to consider the policy updates and approve the new version of the policy.

During discussion, the Board noted the policy review had been brought forward to keep in line with our other information security documentation. Nicola advised that the policy had been reviewed and recommended for approval by the Knowledge Information and Technology Governance Group (KITGG) and the Management Team.

The Board noted the new item 4.8 in the report, the importance of item 4.12 and the changes within the diagram which highlight updates made throughout the year. Nicola advised that we raise awareness of the importance of this work internally via Yammer posts, the mandatory training to be carried out by all staff and key performance indicators that Digital Services report on through KITGG quarterly reports. The Board invited Digital Services to explore further ways to ensure all colleagues are sighted on information security and cyber risks.

Following discussion, the Board approved the new version of the Information Security Management Policy.

Nicola Paton and David Robertson left the meeting.

17. Review of staff handbook policies

Susan Burgess, Assistant Human Resources Manager, joined the meeting.

Susan Burgess introduced the Review of staff handbook policies report, copies of which had been previously circulated.

Susan invited the Board to approve the suggested changes to the Counter Fraud and Diversity and Equality policies and advised that, subject to approval, the policies will be uploaded to the staff handbook.

During discussion, the Board noted the staff handbook policies will continue to be reviewed and HR are looking to schedule the review and approval processes on a rolling basis. It was noted that the policies which relate to hybrid working will come to the Board at a later date.

Following discussion, the Board approved the suggested changes to the Counter Fraud and Diversity and Equality policies and noted the policies will be uploaded to the staff handbook.

Susan Burgess left the meeting.

18. Any other business

There was no other business for discussion.

19. Review of meeting

The members welcomed the quality, content and comprehensive nature of the reports in supporting helpful and detailed discussion.

The Chair thanked everyone for their contributions.

20. Date of next meeting: 1 June 2022

The members noted the next meeting of the Audit Scotland Board is scheduled for 1 June 2022.

Items taken in private

21. New Audit Appointments – verbal update

Elaine Boyd, Associate Director, Audit Quality and Appointments, and Kathrine Sibbald, Project Manager, Audit Quality and Appointments, joined the meeting.

Elaine Boyd provided a verbal update on the new audit appointments.

The Board noted that all conflicts of interest had now been resolved and that the Auditor General and the Accounts Commission had approved the appointments. The Board also noted the likely impact on audit fees and the planned mini tender to appoint to a small number of residual appointments. Elaine advised that appointment letters would be issued shortly.

The Board acknowledged the scale and complexity of the new audit appointments process and thanked the team for their efforts.

Following discussion, the Board welcomed the update.

Elaine Boyd and Kathrine Sibbald left the meeting.

Agenda

Wednesday 1 June 2022 at the conclusion
of the Audit Committee
Audit Scotland, 102 West Port and
Microsoft TEAMS

1. Private meeting of members

2. Welcome and apologies

3. Declarations of interest

4. Items to be taken in private

Standing items

5. Chair's report - verbal update

For information

6. Accountable Officer's report - verbal update

For information

7. Accounts Commission Chair's report - verbal update

For information

8. Review of Draft minutes:

- Board meeting: 17 May 2022

For approval

9. Review of action tracker

For information

10. Covid-19 – verbal update

For information

Strategic priorities

11. Strategic Improvement Programme update

For information

Annual reporting and assurance

12. 2021-22 Annual report from the Chair of the Audit Committee
to the Board

For approval

13. 2021/22 Annual report: Remuneration and Human Resources
Committee

For approval

14. Draft international work annual report for 2021-22

For approval

- | | |
|---|-----------------|
| 15. Policy on the provision of Non-Audit Services by Audit Scotland's external auditor | For approval |
| 16. Governance statement and certificate of assurance 2021-22 | For approval |
| 17. Audit summary report for the year ended 31 March 2022 | For information |
-

Conclusion

- | | |
|--|-----------------|
| 18. Any other business | For discussion |
| 19. Review of meeting | For discussion |
| 20. Date of next meeting: 28 September 2022 | For information |
-

Items to be taken in private

- | | |
|---|-----------------|
| 21. Quality of public audit in Scotland 2021/22
[Item to be taken in private to support the effective conduct of business, intended for future publication] | For approval |
| 22. Q4 Corporate performance report
[Item to be taken in private to support the effective conduct of business, intended for future publication] | For information |
| 23. Draft Audit Scotland Annual Report and Accounts 2021/22
[Item to be taken in private to support the effective conduct of business, intended for future publication] | For approval |
| 24. Interim Corporate Plan 2022/23
[Item to be taken in private to support the effective conduct of business, intended for future publication] | For approval |

MEETING: 9 JUNE 2022

REPORT BY: SECRETARY TO THE COMMISSION

BEST VALUE ASSURANCE REPORT: ANGUS COUNCIL

Purpose

1. The purpose of this paper is to introduce for the Commission's consideration the Controller of Audit's Best Value Assurance Report (BVAR) for Angus Council.

Background

2. A key objective of the approach to auditing Best Value is to allow the Commission to provide regular assurance to the public about how councils are performing in relation to their Best Value statutory duties. It is intended that this will be achieved by the Controller of Audit submitting a Best Value Assurance Report on each council at least once during the five-year audit appointment and by Best Value being reported in annual audit reports.
3. The attached BVAR (**Appendix 1**) is on Angus Council. This is the first BVAR on the council and reports on the progress made by the council since previous Best Value reporting.
4. The Controller of Audit previously reported to the Accounts Commission on the council in September 2016 and the Commission's findings were published in [October 2016](#) (set out in **Appendix 2**). (There were two previous Best Value audit reports published in [September 2004](#) and [May 2010](#).) Since then, Best Value work has been integrated with the annual audit and reported in each year's annual audit report.

The Controller of Audit report

5. The BVAR is made by the Controller of Audit to the Commission under section 102(1) of the Local Government (Scotland) Act 1973 (as amended by subsequent legislation including the Local Government in Scotland Act 2003).
6. The legislation enables the Controller of Audit to make reports to the Commission with respect to:
 - the accounts of local authorities audited under the Act;
 - any matters arising from the accounts of any of those authorities or from the auditing of those accounts being matters that the Controller considers should be considered by the local authority or brought to the attention of the public; and
 - the performance by a local authority of their statutory duties in relation to best value and community planning.
7. A copy of the report is being sent to the council, which is obliged to supply a copy to each elected member of the council and to make additional copies available for public inspection. Once the Controller of Audit's report is sent to the council it is effectively in the public domain.
8. The report concludes with a series of recommendations proposed by the Controller of

Audit which are to be part of the Commission's considerations.

Procedure

9. The legislation provides that, on receipt of a Controller of Audit report, the Commission may do, in any order, all or any of the following, or none of them:
 - direct the Controller of Audit to carry out further investigations
 - hold a hearing
 - state its findings.
10. Findings may include recommendations and the persons to whom those recommendations may be made include Scottish Ministers, who have powers to make an enforcement direction requiring an authority to take such action as is specified in the direction.
11. Members of the audit team will be present at the Commission's meeting and will be available to answer questions on the evidence and judgements presented in the report. This is done in the public part of the Commission meeting.
12. The Commission is then expected to consider in private how it wishes to proceed. Subsequently, the Commission is obliged by statute to inform the council of its decision, which the Commission does before making the decision public.

Conclusion

13. The Commission is invited to:
 - a) consider the Controller of Audit's BVAR on Angus Council
 - b) decide in private how it wishes to proceed.

Paul Reilly
Secretary to the Commission
11 May 2022

BEST VALUE ASSURANCE REPORT: ANGUS COUNCIL

THE AUDIT OF BEST VALUE AND COMMUNITY PLANNING: ANGUS COUNCIL

COMMISSION FINDINGS

OCTOBER 2016

1. The Commission accepts the Controller of Audit's report on Best Value in Angus Council.
2. In our findings in May 2010, we stated that the council needed to increase its rate of improvement and welcomed its commitment to achieve this. In the case of the current report, we remain of this view.
3. The current challenge for the council to identify savings – £26.5 million over the next three years – is a substantial one. The Transforming Angus initiative and the establishment of a programme office and leadership forum demonstrate a continued commitment to change and have helped achieve positive momentum in the improvement culture in the council. But the pace in some key aspects of the initiative has been slow and it has yet to fully yield planned savings. The council needs to raise the level of its ambition and increase the pace and depth of improvement; it is only now implementing initiatives which many councils have already done.
4. We are encouraged that arrangements for elected member scrutiny of decision-making have improved, although these could be more open and transparent. The performance information available to members to undertake this scrutiny can also improve, in order to allow them to better prioritise service improvements across the council.
5. We welcome the positive relationships between elected members and officers. We are concerned however that there is some degree of fragility in political relationships. Continuity in the council's commitment to improvement will be essential, both leading up to and after the forthcoming council elections in May 2017.
6. We will maintain our interest in the council's progress. The Controller of Audit will continue to monitor progress through the annual audit and in our new approach to auditing Best Value.

Angus Council

Best Value Assurance Report

ACCOUNTS COMMISSION 

Prepared by Audit Scotland

June 2022

The Accounts Commission

The Accounts Commission is the public spending watchdog for local government. We hold councils in Scotland to account and help them improve. We operate impartially and independently of councils and of the Scottish Government, and we meet and report in public.

We expect councils to achieve the highest standards of governance and financial stewardship, and value for money in how they use their resources and provide their services.

Our work includes:

- securing and acting upon the external audit of Scotland's councils and various joint boards and committees
- assessing the performance of councils in relation to Best Value and community planning
- carrying out national performance audits to help councils improve their services
- requiring councils to publish information to help the public assess their performance.

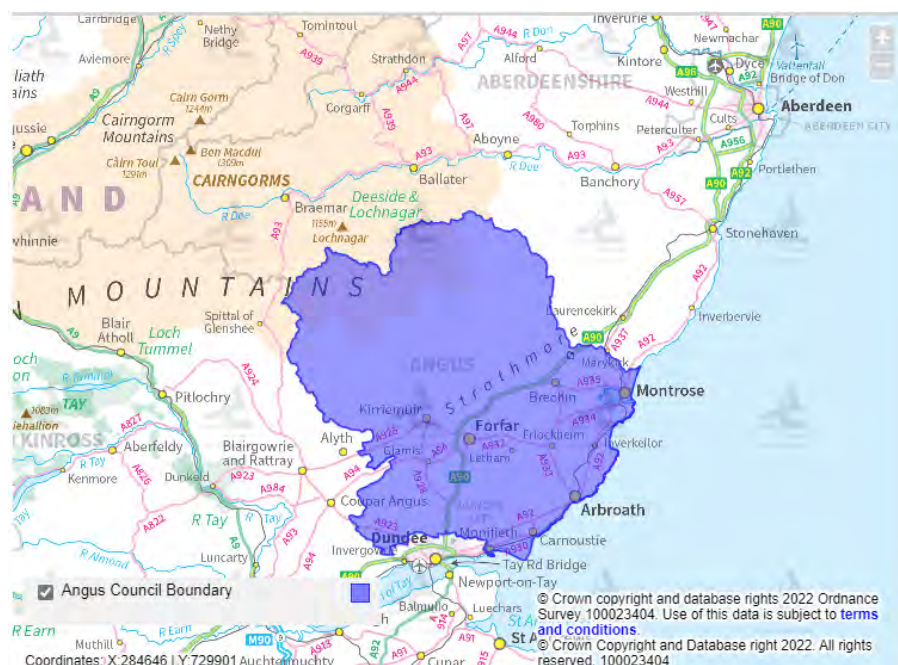
You can find out more about the work of the Accounts Commission on our website: www.audit-scotland.gov.uk/about-us/accounts-commission

Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. We help the Auditor General for Scotland and the Accounts Commission check that organisations spending public money use it properly, efficiently and effectively.

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Key facts



<p>Population: 115,820</p> <p>Mid-year 2020 estimate</p> <p>Area: 2182 km²</p>	<p>Pre May 2022 elections Elected members 28</p> <p>Independent 10</p> <p>Scottish National Party 9</p> <p>Conservative and Unionist 8</p> <p>Liberal Democrat 1</p> <p>Labour 0</p>	<p>Post May 2022 elections Elected members 28</p> <p>Independent 7</p> <p>Scottish National Party 13</p> <p>Conservative and Unionist 7</p> <p>Liberal Democrat 0</p> <p>Labour 1</p>	<p>Employment rate 72.3% (2020/21)</p>
<p>Revenue budget 2022/23: £313.424m</p> <p>Capital budget 2022/23: £43.2m (including £16.098m Housing Revenue Account)</p>	<p>Budget gap 2022/23: £14.017 million</p> <p>To be addressed by:</p> <p>Change programme savings: £6.801m</p> <p>Additional fees and charges income: £0.086m</p> <p>Use of reserves for one off issues: £0.875m</p> <p>Use of reserves for ongoing issues: £3.96m</p> <p>Council Tax increase: £1.695m</p> <p>Increase in Council Tax base: £0.6m</p>		<p>Council housing stock: 7695 (March 2021)</p>

Audit approach

1. The statutory duty of Best Value was introduced in the Local Government in Scotland Act 2003. The audit of Best Value is a continuous process, reported each year through the Annual Audit Report. The Controller of Audit also presents a Best Value Assurance Report to the Accounts Commission at least once during the five-year (currently extended to six-year) audit appointment for each council. The council's recent Best Value audit timeline is outlined in the [Appendix](#). This is the first assurance report on Angus Council and it reflects on the council's progress since the [Best Value audit report 2016](#).

2. This report seeks to provide the Commission with assurance on the council's statutory duty to deliver Best Value. We are looking for councils to demonstrate Best Value by showing that they are continuously improving how they deliver services. The pace and depth of this improvement is key to how well councils meet their priorities in the future. Depth of improvement is the extent to which services implement improvements across a council.

3. Our work covers many Best Value themes in the statutory guidance but does not cover them all. Our audit approach is proportionate and risk based, and it reflects the context, risks and performance of the individual council. It also draws on the information from audit and scrutiny work we have carried out in previous years, as shown in [Exhibit 1](#).

4. The [2020/21 Annual Audit Report](#) was the starting point for our work. In keeping with this approach, we did some initial work to identify risks and council initiatives to build into the scope of our audit. This included:

- reviewing previous audit and inspection reports and intelligence
- reviewing key council documents and committee papers
- reviewing media coverage, including local press and relevant social media platforms
- meeting with senior officers.

5. [Exhibit 2](#) shows the key areas of focus for our audit. The detailed audit work on these areas then included:

- document review and analysis of performance and outcomes data
- interviews with elected members and senior officers
- other discussions with staff and partner organisations.

Exhibit 1

Assessing Best Value across the audit appointment period

Best Value characteristics	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Performance, outcomes and improvement		✓	✓		✓	
Vision and leadership			✓			
Governance and accountability	✓		✓			
Effective use of resources	✓					
Partnership and collaborative working						✓
Working with communities				✓		
Sustainable development	✓					✓
Fairness and equality				✓		
Best Value Assurance Report						✓

Source: Audit Scotland

Exhibit 2

Key areas of focus for our audit



How the council plans the use of its resources to support the delivery of its priorities, including reducing inequalities and ensuring sustainability. This includes the effectiveness of service planning, financial planning, asset management, workforce planning and digital/ICT strategy.



How the council works with partners to tackle its specific challenges (e.g. ageing population; services across seven burghs and rural areas).



How the council encourages and supports community engagement, in setting its priorities and the delivery of services. This includes the effectiveness and impact of public engagement.



How the council's self-assessment framework drives continuous improvement and drives the council's Change Programme.



How effectively the council assesses its outcomes and performance and reports them to both elected members and the general public.

Source: Audit Scotland

Impact of Covid-19 pandemic on the audit approach

6. Most of the desk-based work for this report was done between January and March 2022. Due to Covid-19 restrictions the audit team held all interviews with key officers, elected members and partners remotely. Despite the restrictions on the on-site fieldwork, we were able to gather sufficient evidence to support the audit judgements in this report.

7. The pandemic has brought unprecedented challenges to organisations across the country. It is still not known what long-term impacts these will have on populations and on the delivery of public services, but they will be significant and could continue for some time. The scope of our work covers the current impact of Covid-19 on the council where it is known.

Follow-up of the findings in this report

8. This is the final year of the current audit appointment. In the next audit appointment, the audit of Best Value will be integrated into the annual audit of the council, rather than requiring a separate Best Value Assurance Report. The council's auditors will follow-up on the findings from this report and carry out more detailed audit work on Best Value characteristics as appropriate.

Acknowledgement

9. We gratefully acknowledge the cooperation and assistance provided to the audit team by all elected members, officers and other stakeholders during the audit.

Key messages

- 1** The council has demonstrated a good pace of improvement since the last Best Value report in 2016. It has reshaped services and is an organisation that is focused on its priorities, working well with partners and keen to learn from good practice.
- 2** The council and its partners have a clear vision for Angus. There is strong partnership working and collaboration. Partners across Angus worked well together to deliver services to those most in need during the Covid-19 pandemic. The council is looking to learn from others how to engage effectively with communities on the service redesign required.
- 3** The pandemic has increased existing inequalities, hitting the most disadvantaged groups hardest. Reducing inequality is a priority for the council and it is engaged in a range of local projects to provide support and increase opportunities for its most disadvantaged citizens.
- 4** The Leader of the Council and Chief Executive provide effective leadership. Officers and members have constructive working relationships. Effective arrangements are in place to support decision-making and public scrutiny. Elected members have worked together to make difficult decisions to deliver financial sustainability.
- 5** Angus Council has effective financial management and medium-term financial planning but has yet to fully develop its long-term financial plan. The council has delivered significant financial savings in recent years through its Change Programme, including comprehensive service reviews. Now increasing financial pressures mean even more radical change is required to the range and scale of services and how they are delivered.
- 6** Annual performance reports are used to inform elected members and the public of progress against council priorities. These reports are improving year on year, but performance reporting needs to be more frequent to help drive improvement. Clearer links between performance data and the impact of improvement actions is also necessary.

- 7** Progress in embedding a council-wide performance management framework to drive improvement activity has been slow. Covid-19 disrupted progress. Further change is needed if the council is to realise its ambition to be a performance led council.
- 8** The council's performance has improved or been maintained across three of the four key priority areas within its Council Plan. But in its priority area of the local economy, where many indicators do not have performance information available, there were already challenging performance issues before March 2020.
- 9** The Local Government Benchmarking Framework indicators for 2021/22 show a mixed picture, with good performance in areas such as waste management alongside the need for improvement in the key area of housing. The proportion of indicators in the top quartile is the highest since 2016/17.
- 10** Across the majority of areas the people of Angus are more satisfied with their council services than the Scottish average.
- 11** The Angus Health and Social Care Partnership is a key partner for the delivery of health and social care services. Good progress has been made in shifting care from hospitals to community and home-based care settings, but changes in the demand for care and recruitment challenges are resulting in unmet need. New models of service delivery are being introduced, but further change is needed to ensure services remain financially sustainable.

Part 1

Does the council have clear strategic direction?



The Community Plan sets out the strategic direction for the council and its partners.

The Leader of the Council and Chief Executive provide effective leadership.

Elected members have made difficult decisions to deliver financial sustainability.

Officers and elected members have constructive working relationships.

The council is looking to learn from others how to engage effectively with communities on the more radical service redesign that is now required.

The local context

10. Angus is in the east of Scotland between Dundee and Aberdeenshire. It extends from the east coast to Perth and Kinross on the west, and into the Angus Glens (and Cairngorms National Park) to the north.

11. The population of Angus is approximately 116,000. Most people (75 per cent in 2017) live in the seven towns of Montrose, Arbroath, Forfar, Kirriemuir, Brechin, Monifieth and Carnoustie. The rest of the population is spread across rural areas. Connectivity across Angus (in terms of both transport and digital access) is a key priority for the council and its partners.

12. Many people living in Angus commute to work outside Angus, principally in Dundee and Aberdeen. While the gross weekly wage for people working within the Angus council area is below the Scottish average, residents who commute outside this area typically earn higher wages.

13. Angus has some affluent areas alongside pockets of deprivation, particularly in Arbroath, Forfar and Brechin. Rural communities too often experience hidden poverty. Reducing inequality, particularly child poverty, is a key priority for the council and its partners.

14. Angus has a mixed economy with key sources of employment including agriculture, engineering, food and drink, oil and gas, and tourism. Manufacturing is a significant element of the economy, employing 14.5 per cent of Angus workers, well above the Scottish average of 7.2 per cent. The Tay Cities Deal aims to encourage innovation, investment, and employment in the area, focusing on clean, low-carbon growth and agricultural technology ([paragraph 121.](#)).

15. Life expectancy in Angus is higher than the Scottish average: 82.3 years for women and 78.5 years for men in Angus, compared with 81.0 years for women and 76.5 years for men in Scotland.

16. Between 2018 and 2028, Angus Council's population is projected to decrease by 0.8 per cent. In comparison the projected increase for Scotland as a whole is 1.8 per cent. Within Angus, more people are expected to live longer, with a projected increase of 30.3 per cent in those over 75 over the same period. This leads to additional impacts and pressures across health and social care services.

17. In the previous Best Value report, published in 2016, the Accounts Commission reported that the council should increase the pace and depth of change. Since then, the council has changed significantly, restructuring and reducing in size (six per cent net reduction in staff numbers) and delivering significant savings (£45.4 million since 2016: 2 per cent of gross expenditure and 3-4 per cent of net expenditure each year).

The Community Plan sets out the clear strategic direction, priorities and outcomes which have been agreed for delivery with community planning partners

18. The Community Plan 2017–2030 (previously known as the Local Outcomes Improvement Plan) sets out a clear vision for Angus. The Community Plan has three cross-cutting themes: economy, people and place. In addition to the vision 'Angus is a great place to live, work and visit' the plan sets out three local priorities: reducing child poverty, improving mental health and wellbeing, and improving accessibility and digital connectivity. These priorities are reflected in local outcome measures ([Exhibit 3](#)).

Exhibit 3**Angus Community Planning Partnership Community Plan 2017–2030 strategic priorities**

National Objectives	Wealthier & Fairer	Smarter	Healthier	Safer & Stronger	Greener
Our Vision	<i>Angus is a great place to live, work and visit</i>				
Our Priorities	Reducing Child poverty Improving mental health and well-being Improving accessibility and connectivity				
Our Cross-Cutting Themes	Economy	People	Place		
Our Local Outcomes					

Source: Angus Community Plan 2017-2030

19. The Community Plan is being reviewed after five years of operation including two years of the Covid-19 pandemic. The review started with a workshop in November 2021 and sign-off is due in June 2022. Community engagement sessions in March 2022 are informing the revised plan. As part of this review the Community Planning Partnership (CPP) will consider the impact of Covid-19 on priorities. As we have seen across Scotland, Covid-19 has had a disproportionate impact on populations with existing inequalities. This will be an important area for the CPP partners to address going forward. Partners have agreed to keep the current three priorities and add a fourth, climate change.

The council and its community planning partners aligned their strategic plans with the Community Plan

20. The council's strategic priorities are set out in its Council Plan which is aligned to the Angus Community Plan 2017-2030. In 2017 the council revised its strategic plans to align its strategic priorities and budget strategy with its community planning outcomes. This helps ensure that its programme of transformational change is focused on key service delivery as well as the need to achieve the necessary savings. The planning and policy framework for Angus is shown in [Exhibit 4](#).

Exhibit 4

Angus planning and policy framework to deliver on the National Outcomes



Source: Angus Council Plan

21. The 2021-24 update of the Council Plan introduced the 'Strategy on a Page' summary of the council's overall purpose. This was co-produced with employees and targets activity around the four themes of Eliminate, Reduce, Raise and Create, [Exhibit 5](#).

22. This continues the council's focus on priorities by identifying areas where it needs to invest or do more and where it could reduce or stop activities or deliver them more efficiently.

Exhibit 5

Angus Council's Strategy on a Page

Eliminate

Child Poverty

Eliminate children living in poverty through work with partners & business to intervene early, create economic opportunity, while also reducing costs and increasing income for people.

Barriers to Access

Eliminate barriers to accessing the right services at the right time, ensuring the availability of early support for individuals, families and businesses.

Inefficiency

Eliminate inefficiencies within activities, making the best use of resources and technologies, leading to a higher level of consistency and productivity.

Reduce

Climate Change

Reduce the impact of climate change by being a major contributor to achieving Scotland's national climate change goals, as leaders in clean growth, environmental stewardship and sustainability.

Duplication

Reduce unnecessary duplication and focus on areas of greatest need.

Bureaucracy

Reduce unnecessary bureaucracy wherever it is found, and it is legally permissible to do so.

Raise

Opportunities for Lifelong Learning

Raise opportunities for lifelong learning for all children, young people, adults, and the workforce, to enable progression in their learning.

Customer Service

Raise the quality of customer service through developing communication channels, underpinned by technology, which continues to provide opportunities for people to engage.

Wellbeing

Raise and promote the wellbeing and safety of communities and the workforce.

Create

Equity

Create equity by focusing services on those who need them most.

Stronger Partnerships

Create stronger partnerships through collaboration in the planning and delivery of services which benefit the people of Angus. This will include enabling and empowering community leadership.

Inclusive Culture

Create an inclusive culture by trusting and empowering employees, as well as ensure equality in the workforce.

Source: Angus Council Plan 2021-24

The Leader of the Council and Chief Executive provide effective leadership and a clear strategic direction

23. Angus Council has been controlled by a coalition administration between the Conservative party, the Liberal Democrat member and six independent members since the 2017 local government elections. Although the composition of the administration group has changed, overall it has remained relatively stable since the last elections.

24. Officers and elected members work well together and understand their respective roles. This allows for a constructive and professional working relationships. Following the 2017 elections, senior officers worked with elected members on an induction training programme. Subsequent training included developing and delivering a council-wide approach to decision making focused on council priorities, rather than one based on political party or individual ward priorities. It will be important to retain this approach to decision-making with new council members following the May 2022 elections.

Members have made difficult decisions to deliver financial sustainability

25. The council has had to achieve significant savings to deliver a balanced budget and maintain financial sustainability. The Change Programme includes a range of projects to deliver savings and efficiencies across the council to ensure it meets current and future financial challenges. It also includes areas of investment designed to deliver service improvements. The Change Programme is integrated into the budget setting process and is approved by the Council each year as part of its budget setting meeting.

26. Some of the Change Programme savings options have been contentious and the council has had to make tough decisions. Following the 2017 election, strategic reviews of recycling centres and car parking charges were discussed and debated at length, with report recommendations rejected in favour of alternatives that delivered less savings. Since then the council has made difficult decisions to make financial savings and make best use of resources. This includes the decision to demolish and replace the former sheltered housing in Edzell with new energy-efficient social housing to meet the needs of current and future residents. This initially received negative reactions on local social media but is being progressed with ongoing engagement with the local community. The council will need to make further hard choices if it is to achieve financial sustainability in an increasingly constrained financial landscape.

The council has streamlined its management structure, reducing senior management and increasing middle manager capacity

27. The council's management has been streamlined to achieve a small, flatter structure. Each council service has a director supported by service leaders (the equivalent of heads of service). The management structure is kept under review and adjusted as needed. For example, the combined post of Director of Finance and Legal (created in 2018/19) was split into two posts after a year, as these services needed more director capacity than one person could deliver. In June 2021 the portfolios were further revised when the Director of Communities retired. The new portfolio created a standalone Vibrant Communities team and brought the Economic Development service into the renamed Vibrant Communities and Sustainable Growth Service. Streamlining the management structure has delivered necessary savings, but reduced capacity.

28. We are satisfied that the Corporate Leadership Team (CLT) has the skills and expertise to deliver the council's strategic objectives and improvement plans. The CLT is supported by service leaders with a good understanding of how their service contributes to the Council Plan objectives. When the council

streamlined its management structure it recognised the need to invest and support leadership skills. In addition to the training and personal development needs identified through staff performance appraisals, the council's Leadership, Middle Managers and First Line Managers forums provide opportunities for managers to meet and discuss strategic issues.

The council's committee structure supports effective scrutiny

29. The decision-making structure of the council has been in place since before May 2017. The committee structure includes two service committees (Communities and Children and Learning), the Policy and Resources Committee, Scrutiny and Audit Committee, Development Standards Committee, Development Management Review Committee and Civic Licensing Committee.

30. This structure provides effective scrutiny of decisions. Members have the opportunity for debate, treat each other with respect despite political differences and understand the respective roles and responsibilities of each committee. We have observed, through attendance at committees and review of committee reports, that officers act on elected members' feedback. This has resulted in improvements to committee reports to support scrutiny and decision-making. The committee structure and meeting arrangements work well.

31. If elected members want more detailed information to inform their decision-making they may form a member officer group. This is effective and has been used in several areas, including recycling centres and flood risk management. Likewise if the Scrutiny and Audit Committee wishes to examine an area in more detail than is practical in a committee meeting, it will convene a scrutiny panel.

32. The council has learned lessons from two governance reviews of decision-making, both relating to the former Lochside Leisure Centre. This building was originally considered a council asset. Following a judicial ruling, it is now classified as a common good asset. The former leisure centre was declared surplus when the Forfar Community Campus, which has community leisure facilities, opened. A decision to demolish the building due to structural defects was revisited following the public response on social media. Internal audit reviewed the governance of the decision-making process. Subsequently some elected members requested an external review, which was carried out by Azets and reported in March 2021.

33. Both reviews recommended: improving the options appraisals provided to support decision-making; better recording of the discussion and rationale for decisions when considering options for a potentially surplus asset; and developing an exit strategy for vacating assets. Following the reviews there is evidence of lessons being learned, particularly in improved options appraisal reports. Elected members have commented on this improvement.

34. Public scrutiny has improved since our 2018/19 Annual Audit Report concluded that scrutiny in public meetings was light and recommended additional training to support members. Elected members are now holding management to account at public meetings, asking more questions of officers and of partner bodies who present reports for scrutiny.

35. Briefings are useful as they allow elected members to discuss and ask questions in more detail than in a public meeting. It is important, however, that elected members are also open to public scrutiny by asking questions in public meetings, which are minuted as a public record. We have observed elected members making this point when asking questions in committee meetings held after briefing sessions.

36. Angus Council has appropriate governance arrangements in place and our attendance at committees has confirmed that the level of scrutiny and challenge is appropriate and supports sound decision-making.

The council adapted its committee arrangements in response to the Covid-19 pandemic while retaining decision making by elected members

37. In March 2020, the committee structure was suspended and arrangements adapted to provide an emergency response to the Covid-19 pandemic. The council established a Special Arrangements Committee to ensure elected member decision-making continued during lockdown restrictions, alongside a Special Education Committee for education-related matters. Retaining decision making by democratically elected members rather than full delegation to unelected officers was an important consideration. The Special Arrangements Committee met three times between April and June 2020 before the normal committee cycle was re-established, in a virtual environment, in August 2020.

38. The council was one of the first to hold public meetings virtually. Meetings are streamed to the public on YouTube and recordings are available after each meeting. Meetings are by invitation only, but the public can make a deputation to the council or a committee meeting. Whilst all committee meetings continue to be held virtually, the council is currently discussing a hybrid model. The council agreed to hold in-person meetings in May and June 2022, subject to compliance with any government guidance. This was to ensure newly elected members were given the opportunity to occupy the same physical space as they build relationships.

The council has an effective training programme to support elected members

39. The council has a training programme to support elected members to perform their role effectively. This includes comprehensive induction for new elected members, and further ongoing training. Members receive briefings on technical areas and on important legal or policy developments. Members also have access to training through their political parties and the Improvement Service. The council worked with prospective candidates in advance of the 2022 local government elections, allowing them to find out about the role from current councillors.

Part 2

How well is the council performing?



Services were adapted to focus on those with greatest need during the Covid-19 pandemic.

The council has improved or maintained its performance across key priority areas in the Council Plan, except for Economy. Many of these indicators do not have up to date information, but challenging performance issues existed before March 2020.

The Local Government Benchmarking Framework indicators for 2021/22 show mixed performance compared to other councils. The proportion of indicators in the top quartile is the highest since 2016/17.

Housing services need to improve given the critical role they play in reducing inequalities, increasing sustainability and tackling climate change. The council has plans in place to address this.

Across the majority of areas the people of Angus are more satisfied with council services than the Scottish average.

The council is developing its approach to being a "Performance Led Council". Progress on embedding the approach has been slow and the pace must now be increased to drive improvement.

The council has worked to improve the quality of its annual performance report since its first publication in 2018. Gaps in the data make it difficult to form a complete picture of its performance.

The council adapted services to ensure they were delivered to those in greatest need during the Covid-19 pandemic

40. The Accounts Commission's [Local government in Scotland Overview 2021](#) describes how the Covid-19 pandemic is having a profound impact on all aspects of society, including the economy, jobs and people's physical and mental health. Councils have been at the centre of the response to the pandemic, supporting communities through these difficult times including administering multiple Scottish Government support schemes.

41. During the Covid-19 pandemic Angus Council continued to deliver services through staff homeworking and using online and telephone services. School provision continued during lockdown, including the provision of school hubs for vulnerable children and children of key workers. Household waste collections and burials continued, as did planning and building warrants services, with some additional digital processes introduced. Many other frontline council services moved to emergency service delivery only for periods of time. Staff volunteered to be redeployed to ensure services continued.

42. The council has changed how it provides a number of services, redeployed staff and increased digitalisation. Through its Agile programme the council had already introduced mobile and homeworking for many staff, but other services needed digital solutions. It developed online education services, supplied digital equipment to support home-based learning and moved registration services online. The council also set up a centralised mail scanning and distribution service at the start of lockdown and introduced additional governance procedures for handling sensitive and confidential items.

43. Environmental Consumer Protection's role adapted to include investigating the source of local Covid-19 outbreaks and advising businesses on changing restrictions. The cross-boundary response to the outbreak at the 2 Sisters Food Group factory, which was located in Perth and Kinross but affected workers living in Angus, was commended by the First Minister.

The council has improved or maintained performance across key priority areas in the Council Plan, except the Economy where many indicators do not have up to date information

44. Angus Council's first annual performance report (APR) on progress against the Council Plan was published in 2018. We had reported in 2016 that it was the only Scottish council not publishing an annual performance report.

45. The Council Plan priorities are Economy, People, Place and Our Council. The APR is the main way officers report performance to members against council priorities. It includes performance information over the previous five years to show trends, with case studies providing evidence-based examples of impact. The most recent report was published in September 2021.

46. Gaps in the data make it difficult to form a complete picture of the council's performance. And while the APR details performance trends for the council's priority areas it does not clearly state what action the council will take to improve areas where performance has declined. The council recognises this and is currently reviewing the performance indicators it uses, so that they reflect

meaningful performance information that is readily available. The 2022/23 Council Plan, agreed in March 2022, includes performance targets for the year.

47. Our review of the council's performance against its Council Plan priorities reveals a mixed picture. Key areas of improving performance over the five-year period include:

- **Economy** – more premises can access broadband (from 81 per cent to 92 per cent) which remains a priority area given the importance of digital connectivity.
- **People** – the percentage of looked-after children in both the family setting and within the Angus area has increased alongside an increase in the percentage of children accessing funded entitlement to early learning and childcare which is at 94 per cent.
- **Place** – overall performance is improving across six indicators including reducing the percentage of households experiencing fuel poverty (down from 33 per cent to 22 per cent) and increasing the proportion of waste being recycled (where Angus is ranked first in Scotland – [paragraph 65.](#)).

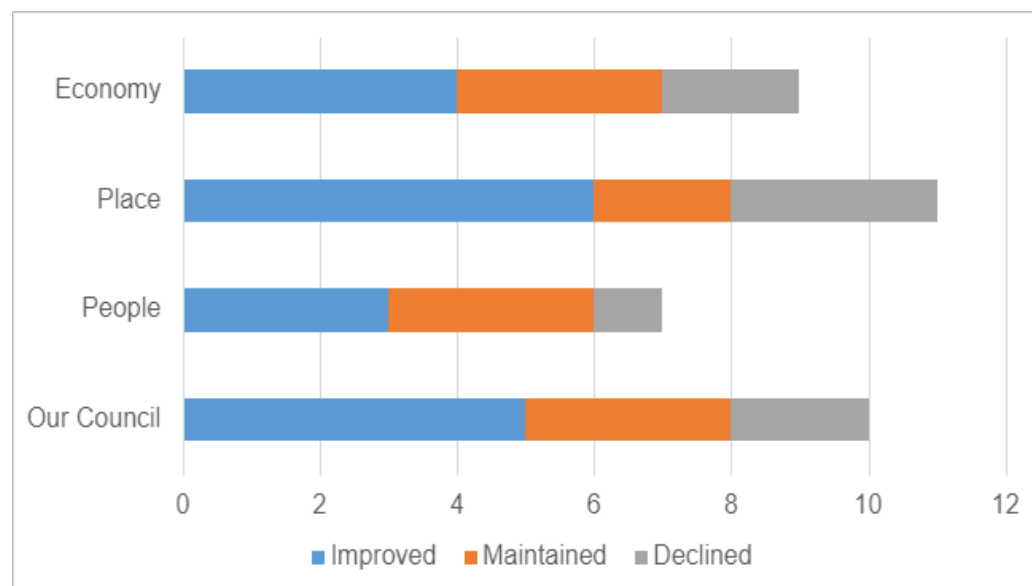
48. Data is not available for ten indicators, five of which sit within the Economy portfolio. Covid-19 will have had a significant impact on this priority area and the council recognises this as an area to focus on in its post-pandemic recovery. Performance in some of these indicators, including new business survival beyond three years and new businesses coming into the area, was declining before the pandemic.

49. The council has seen a decline in the percentage of people employed in Angus (from 77 per cent to 72 per cent) and the council has set a challenging target of 78 per cent for 2021/22. Another area of improvement for the council is housing services ([paragraph 70.](#)).

50. Overall the council has seen an improving trend in 18 of the 37 Council Plan performance indicators (49 per cent), with performance relatively static in 11 (30 per cent) and declining in eight (22 per cent), as shown in [Exhibit 6](#):

Exhibit 6

Council performance against its Council Plan performance indicators in 2020/21



Source: Audit Scotland using Angus Council Annual Performance Report 2020/21

The council uses the Local Government Benchmarking Framework to evaluate its performance against other Scottish councils

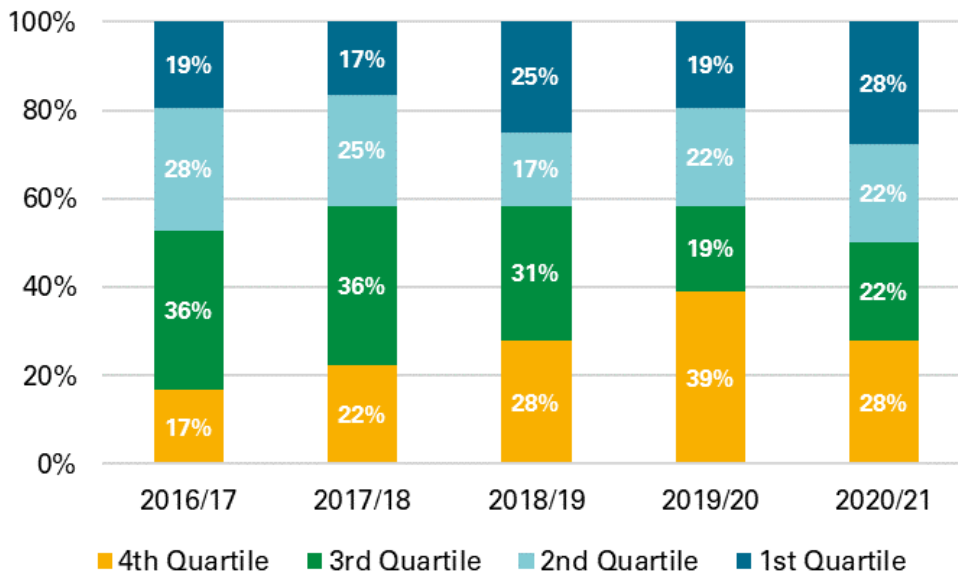
51. Each year, the Improvement Service publishes its Local Government Benchmarking Framework (LGBF). This brings together a wide range of performance information for all Scottish councils. It shows how well they are delivering services, the cost of services and residents' satisfaction. The LGBF contains a total of 101 performance, cost and satisfaction indicators across all council services to enable performance to be monitored over time.

52. The council uses the LGBF data to analyse and report its performance annually to the Scrutiny and Audit Committee, most recently in June 2021. The report sets out the council's performance under the LGBF service groupings and highlights areas where Angus's performance is significantly different from Scotland's national performance. It also explains to members the council's performance and the action proposed by individual services to improve performance. The report also highlights that the council needs to explore the reason for the variation in its LGBF performance, which emphasises the importance of the performance-led council (PLED) programme ([paragraph 59.](#)).

53. The LGBF allows relative performance to be assessed by dividing it into four quartiles, with quartile one representing top performance and quartile four representing poorest performance. Our performance analysis ([Exhibit 7](#)) compares mainly outcomes-based indicators between 2016/17 and 2020/21 (note that for 2020/21 four children's services indicators have been excluded, as they have incomplete data).

Exhibit 7

LGBF quartile analysis for Angus Council



Source: Audit Scotland using LGBF data

54. The council's performance against the 2020/21 LGBF continues to be mixed. There is good and improving performance in some areas such as waste management and recycling ([paragraph 65.](#)), social care funding allocated using direct payments or personalised management budgets, the condition of operational council buildings and the time taken for planning application decisions. By contrast, there is poor performance in key areas such as housing ([paragraph 70.](#)), road condition, proportion of people earning less than the living wage and town vacancy rates. The proportion of Angus Council's performance indicators in the top quartile is at 28 per cent, the highest over the five-year period.

55. The council is aware of its strengths and areas for improvement across services. This includes using internal audit services to review rent arrears management and developing a housing service improvement action plan. The council used data to inform its response to the Covid-19 pandemic. This included regularly reviewing service delivery decisions to ensure resources were focused on priority areas. This has helped wider organisational understanding of the PLED principles by clearly demonstrating the value of data in informing decision. The council needs to further improve its self-awareness by fully implementing PLED.

The people of Angus are more satisfied with their council services than the Scottish average

56. The LGBF includes customer satisfaction data derived from the Scottish Household Survey. The LGBF data shows that service satisfaction has generally declined across Scotland. This is also the picture within Angus;

however, in all but one area satisfaction levels are above the average for Scotland, as shown in [Exhibit 8](#).

Exhibit 8

Angus Council's performance against LGBF satisfaction indicators

Percentage of	Angus		Scotland
	2015-18	2017-20	2017-20
adults satisfied with local schools	77	74.47	71.83
adults supported at home who agree that their services and support had an impact in improving or maintaining their quality of life	83.52	85.62	80.03
adults supported at home who agree that they are supported to live as independently as possible	85.94	84.82	80.78
adults supported at home who agree that they had a say in how their help, care or support was provided	79.09	82.01	75.43
carers who feel supported to continue in their caring role	38.28	34.94	34.28
adults satisfied with libraries	76	77.2	72.37
adults satisfied with parks and open spaces	87.67	87.2	83.5
adults satisfied with museums and galleries	70	62.33	69.3
adults satisfied with leisure facilities	77.67	75.5	70.1
adults satisfied with refuse collection	81.67	80.73	74.3
adults satisfied with street cleaning	76.67	72.3	62.63

Source: Audit Scotland using LGBF data

The council is working to improve its performance management framework, but needs to increase the pace

57. In 2018/19 the audit team concluded that the council was developing its performance management framework but that further work was needed to demonstrate links between council objectives and their achievement.

58. In early 2019 the council carried out a self-assessment of performance management arrangements, including how services were using its performance management system (Pentana). This review found inconsistent approaches to performance management between services, lack of support for staff to develop the necessary skills and unclear links between the council's new structure and Council Plan.

59. In response to these issues the council introduced its PLED programme in 2019. Initially this focuses on improving the consistency of performance management and data use across services. It will then progress to increasing its use of performance information to drive improvement. When fully in place the PLED process will align with and become part of the annual performance review and reporting cycle on the Council Plan priorities. The PLED approach has four stages as detailed in [Exhibit 9](#).

60. In its initial roll-out, the council is focusing on ensuring that all services have fully implemented stages 1 and 2 of PLED, which means that every service will:

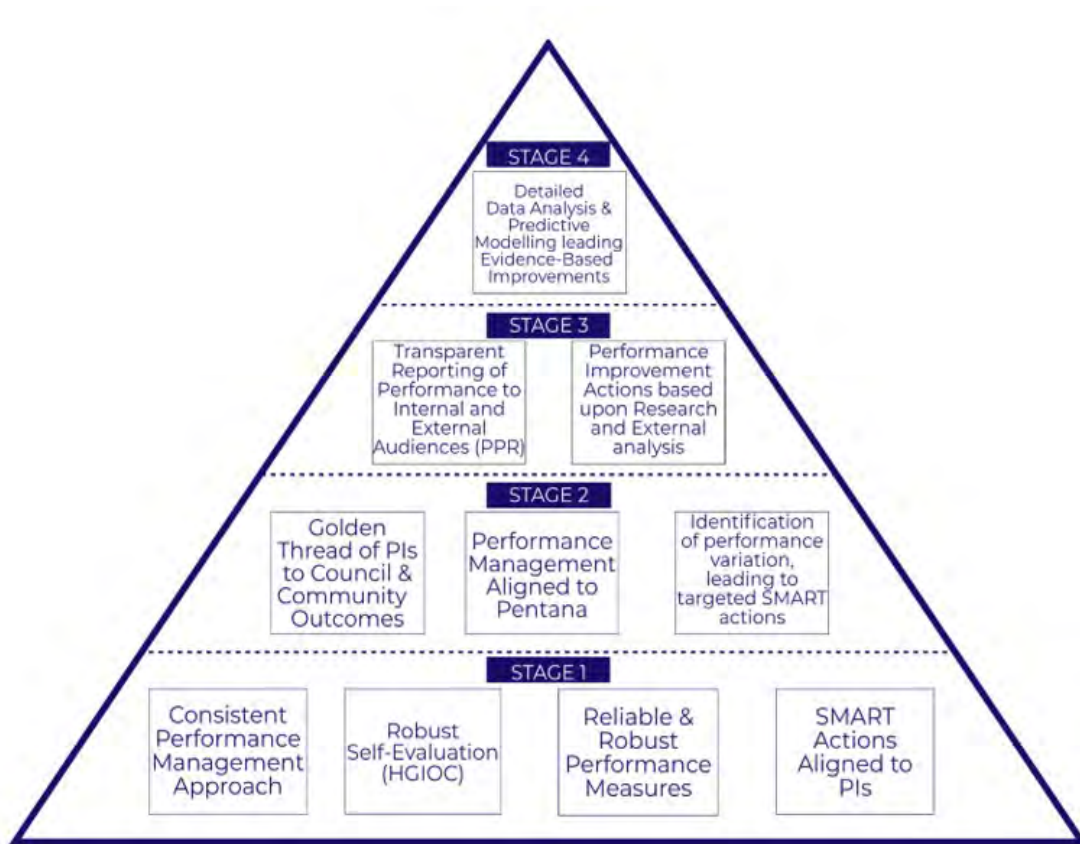
- be using improved performance information, with robust performance indicators, actions and risks
- have completed self-assessment through the How Good Is Our Council (HGIOC) framework
- be making improved and consistent use of the Pentana system.

61. The council has an improving performance management framework but progress on embedding this has been slow. During 2020/21 the PLED programme was disrupted as its focus shifted to the immediate priorities of the Covid-19 response. The programme has restarted but the target date for completing the first two stages has now been moved from December 2021 to August 2022. In its most recent update in February 2022, the council reported that services were 49 per cent complete in putting the first two stages of the PLED programme in place.

62. Services that have well-established performance management arrangements have been quicker to implement the PLED programme. The most advanced services are Education and Lifelong Learning, Internal Audit and Governance and Change. Those with the furthest to go are Planning & Sustainable Growth, Vibrant Communities (created July 2021), HR & Business Support and Digital Enablement & IT. Effectively completing the first two stages is vital to provide the basis for services to fully embed the council's performance-led approach.

Exhibit 9

Stages of the Performance Led Council (PLED) programme



Source: Angus Council

63. The council recognises it needs to improve its use of data to support more effective performance management and targeted improvement activity. It is developing a Big Data project. This will support delivery of PLED and aims to improve productivity, identify new opportunities for transformational change and provide better quality services to support the delivery of outcomes and priorities.

64. The council aims to develop its performance management information to enable real-time performance analysis by services. This is a positive step, but the council needs to fully implement the PLED programme to ensure that all services first focus on getting the foundations for effective performance management in place.

Environmental services performed strongly on waste recycling but roads condition and street cleaning require monitoring

65. The council's environmental services play a key role in delivering the Council Plan Place priority. Waste management, as part of wider climate change, is a priority for the council. Angus is ranked first among Scottish councils for household recycling in the 2020/21 LGBF, recycling 58 per cent of household waste compared with the Scottish average of 42 per cent.

66. The Convention of Scottish Local Authorities (COSLA) has recognised Angus Council's focus on waste services by giving it the Service Innovation and Improvement award in February 2022 for its introduction of a four-day working week for waste services. The change in working patterns was part of the Change Programme, to make more efficient use of waste collection vehicles and teams.

67. Customer satisfaction with refuse collection has remained strong and at 80.7 per cent is significantly above the Scottish average of 74.3 per cent. Satisfaction with street cleaning has decreased over recent years but at 72.3 per cent still compares favourably with the Scottish average of 62.6 per cent (see [Exhibit 8](#)).

68. The condition of the area's roads has decreased over the past three years, coinciding with the decision to reduce spending on roads to support investment in other competing priorities. The council has included additional resource in the 2022/23 budget to ensure that performance is maintained at an acceptable standard.

69. We highlight, in the section on budget setting ([paragraph 96.](#)), that the council accepts that its performance in areas it has identified as non-priorities will reduce but keeps these under review.

Housing services need to improve given the critical role they play in reducing inequalities, increasing sustainability and tackling climate change

70. Housing is a vital service that underpins the council's priorities of reducing inequalities and increasing sustainability by reducing carbon emissions. The council is investing to increase the supply of affordable housing and improve energy efficiency. However, the council's performance measures indicate a need for improvements in some areas of housing.

71. The council's performance in completing housing repairs first time and in recovering arrears are both in the bottom quartile. Its housing repairs and empty property re-let times have increased as a result of the pandemic, in common with other landlords, and this was exacerbated by one of its key contractors withdrawing from two responsive repair contracts. Rent arrears performance has declined as rates of poverty have increased and recovery actions were suspended and amended during the pandemic.

72. In response the council is conducting a review of housing delivery arrangements which cuts across various service areas. Positive measures have already been taken to resolve the issues with responsive repair contracts, in consultation with the Scottish Housing Regulator (SHR). The council is undertaking a review of its arrears processes with a focus on supporting vulnerable people to sustain their tenancies. The council recognises the need to balance arrears recovery against the impact of eviction, which may in turn lead to more expensive homelessness services. Angus Council engages constructively with SHR on performance issues. SHR met with the council in October 2021 to gain assurance about delivery of its homelessness service during the pandemic. SHR will be meeting with the council again during 2022/23 to discuss the homeless service, with a particular focus on the council's

assessment of homeless applications and outcomes for people who are homeless.

73. Despite these issues the council has seen an improvement in customer satisfaction and relationships with tenants, reflected in the housing services satisfaction indicators, with 88.4 per cent overall tenant satisfaction recorded for 2020/21. The Scottish average is 89 per cent.

74. Capital investment in energy saving improvements and achieving net zero carbon emissions by 2045 is a key part of the housing investment programme. The 25-year housing capital programme ([paragraph 114.](#)) has been accelerated to prioritise delivery of these sustainability objectives, which should have a positive impact on child and fuel poverty.

75. The council is increasing the supply of affordable housing through its own new build developments as well as working with registered social landlords and developers. This will create a range of affordable housing models including shared equity, social rent and middle market rent. It is also re-purposing surplus council buildings as social housing as detailed in [Case study 1](#).

Case study 1

Surplus buildings repurposed into social housing

Chapelark in Forfar is an award-winning development that converted a former primary school into social housing. The category B listed building in the town centre was converted into 29 affordable homes (25 flats and four townhouses) for social rent. The design incorporates energy efficiency, including high levels of thermal insulation, airtightness, and passive solar gain. The council tenants allocated homes were involved at various stages of the development, including a drop-in event to see plans, meet the architects and view a walkthrough video of the site and the interior designs.

A surplus building at Invertay House in Monifieth has also now been approved for re-purposing as affordable housing and is currently at the design stage.

The council redeveloped the former Damacre Centre site in Brechin for social housing: 10 affordable homes were built by a local contractor.

In February 2022 a further two former school sites in Arbroath and Forfar were approved for re-purposing as social housing.

Source: Angus Council and www.surf.scot

Education and Lifelong Learning has well developed performance management arrangements

76. Analysis of the LGBF Children's Services indicators for 2019/20 showed that pupil attainment in Angus was broadly similar to the Scottish average. The council plans to explore the links between local deprivation, attendance and attainment in more depth to drive improvement. Education and Lifelong Learning has detailed performance management arrangements in place.

77. In Angus Council none of its schools which were inspected by Education Scotland in the year prior to March 2020 required a further inspection. During periods of disruption resulting from the pandemic, the council requested only limited additional support through locality working. Education Scotland staff have been working with councils in Tayside on improving performance and outcomes for learning. However, this work was not focused specifically on Angus Council but across the Tayside Regional Collaborative.

78. The Covid-19 pandemic has exacerbated existing inequalities in a number of areas including education as reported in the Accounts Commission's report [Local government in Scotland Overview 2021](#). One of the council's key priorities is to address inequalities and eliminate child poverty. Our analysis of the Improvement Service's Community Planning Outcomes Profile (CPOP) indicators ([paragraph 129.](#)) showed an increase in the percentage of children living in poverty of 28.6 per cent between 2015/16 and 2019/20, similar to the overall decline in performance in Scotland over the same period.

79. The pandemic had a significant impact on children's services. Education provision continued during lockdown via school hubs for vulnerable children and the key workers' children. Online education services were developed, alongside the supply of digital equipment to support home-based learning. The amended governance arrangements established to ensure council decision making continued during lockdown restrictions included a Special Education Committee for education related matters.

80. Restrictions on face-to-face contact led staff working with care-experienced young people to find new ways of keeping in touch and enabling the young people to maintain contact with their families. Front-line child protection workers continued to meet young people face to face where essential.

81. More detail can be found at [paragraph 144.](#) on how the council works and collaborates with partner organisations. Several projects are specifically aimed at young people.

Part 3

Is the council using its resources effectively?



Financial management is effective with a budget setting process focused on priorities.

The medium-term financial plan projects funding gaps of over £10 million in each of the next two years. Plans are in place to meet these through Change Programme savings and use of reserves. More radical service redesign is now required.

The council has approved a Sustainable Energy and Climate Change Action Plan.

Waste management is a key priority with Angus Council ranked first in Scotland for household recycling.

Budget setting is effective and focused on council priorities

82. The council has well-established member led working groups that develop annual budgets with help from officers. These are always agreed before the start of the financial year. The administration's budget proposals are presented to Council, along with a tabled amendment from the main opposition group. The council's budget proposals are aligned to its strategic priorities and objectives. There is open and transparent discussion and debate. The budget for 2022/23 was agreed in March 2022.

83. The Policy and Resources Committee keeps budgets under review and adjusts them as necessary. Revenue and capital budget monitoring reports are presented to every meeting to allow regular and effective scrutiny of the council's ongoing financial position.

The council consistently delivers services within budget

84. The council has consistently delivered services within its total budget. For 2020/21 the council had a final budget for council services of £305.7 million and reported an underspend of £14.9 million. The most significant contribution to this underspend was £11.6 million relating to underspends against additional funding provided by the Scottish Government to support Covid-19 expenditure. This has been carried forward for use in future years.

85. The council is currently projecting an underspend of £14.6 million for services to 31 March 2022. The majority of this relates to the Education and Lifelong Learning service, with underspending resulting from the phasing of Early Years Expansion funding and the impact of Pupil Equity Funding being tied to an academic year. These underspends will be carried forward to 2022/23.

Medium-term financial plans are in place and have been updated to reflect the impact of Covid-19

86. The Finance and Change Plan 2022-25 is an accessible summary of the financial challenges the council faces and the plans in place to address these. The rolling three-year Medium Term Budget Strategy and Capital Plan ensure consistency. These are refreshed every year as part of the budget setting process and have been updated to reflect the ongoing impact of Covid-19 including additional costs, delays in capital projects and potential impacts on income generation.

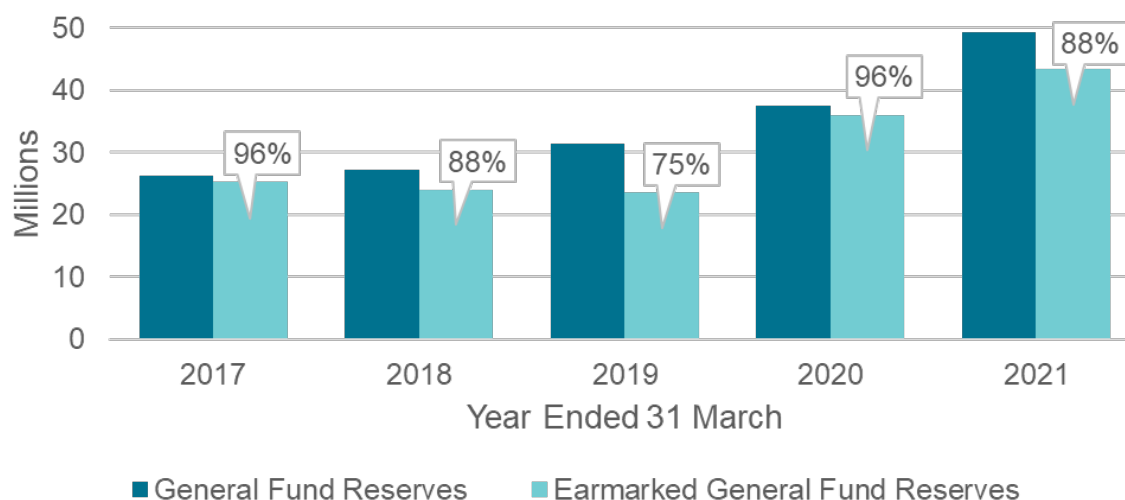
87. The council is currently projecting a funding gap of £48.9 million over the next three years to 2025. Change Programme savings of £20.1 million have been identified, alongside the use of £6.9 million of reserves, to partly fill this gap. Work is under way to address the remaining balance. This represents a significant financial pressure and the council recognises that it will have to make difficult decisions.

88. Work to develop a long-term financial planning framework, setting out the main factors and pressures affecting the council's financial position, has not yet concluded. The original plan was to present this alongside the 2022/23 budget; however, the council was unable to finalise this alongside the other documentation required for the budget. The council has an outline plan in place for this work and will continue to develop it over the coming months, planning to present it for council approval by September 2022.

The general fund reserve has been steadily increasing, but a large proportion is earmarked for specific purposes

89. Angus Council has seen a rise in general fund reserves of approximately £23 million since 31 March 2017, however a large portion of this increase relates to Covid-19 funding carried forward in 2020/21 as well as other underspends relating to specific projects delayed by the pandemic. A large proportion of these reserves are earmarked for specific purposes as illustrated in [Exhibit 10](#).

90. As at 31 March 2021, Angus Council had a usable general fund balance of £49.3 million, of which £43.3 million (88 per cent) was earmarked for specific purposes. This level has fluctuated between 75 per cent and 96 per cent over the last five years. This shows that the council generally has limited uncommitted reserves to support additional expenditure.

Exhibit 10**General fund reserve levels from 2017 to 2021 including earmarked elements**

Source: Angus Council

The capital programme has been impacted by Covid-19, causing delays to capital projects

91. Total capital expenditure in 2020/21 was £22.2 million, of which £11.3 million related to general services and £10.9 million to the housing revenue account. This compares with budgeted capital spending of £34 million. The underspend was due to slippage in capital projects as a result of the impact of Covid-19 and lockdown measures. This caused slippage in several significant capital projects initially due to the restrictions on construction activities and subsequently due to issues with supplier capacity and availability of materials which will have a knock-on effect on future years. The council has reviewed and re-profiled capital expenditure to account for this and the Capital Projects Monitoring Group keeps this under regular review.

92. The council has seen an improvement in the current year in terms of the capital programme as the impact of Covid-19 has begun to lessen. The most recent capital monitoring reports show projected slippage of £2 million for 2021/22, representing an improved position.

93. There has also been slippage in repairs of the council's housing stock as all but emergency repairs were restricted until April 2021. Covid-19 had a significant impact on this because of the lockdown measures in place, exacerbated by one of the companies contracted to undertake repairs and several housing capital projects pulling out of their contract. A new contract has been put in place to take over the repairs. Despite these issues the council has seen an improvement in relationships with tenants reflected in the improvement in housing services satisfaction indicators.

94. Despite the impact of Covid-19, Angus Council has successfully delivered several capital projects, including two new early learning and childcare centres in Forfar and Carnoustie and has a significant capital project to deliver a flood

prevention scheme in Arbroath currently under construction. It has also accelerated capital spend on energy efficiency as part of their housing programme.

The Change Programme has consistently delivered savings while generally improving performance in key priority areas

95. Comprehensive service reviews are a significant element of the Change Programme. These include a zero-based review of budgets and services' financial and performance data as well as reviewing the organisational design of the council. Service managers and a member of the leadership team reviewed service data and the purpose of each service to identify options for future provision. These have been followed up by a series of Rapid Improvement Events, which are special meetings held between officers and members to produce actions for improvement.

96. The council has made good progress in delivering planned savings through the Change Programme. Over the last five years the council has made efficiency savings of £45.4 million, representing almost four per cent of net expenditure each year. The council has consistently delivered these recurring savings while also showing a reasonable overall performance picture ([paragraph 50.](#)); however it needs to do more work to ensure performance targets are met. [Exhibit 11](#) shows savings levels year on year as a percentage of net expenditure, including performance against budget.

Exhibit 11

Actual savings against budget year on year and the percentage of net spend

	2016/17	2017/18	2018/19	2019/20	2020/21
Budgeted Savings	£10.1m	£7.2m	£10.0m	£10.2m	£9.0m
Actual Savings	£10.1m	£7.2m	£9.6m	£10.0m	£8.5m
Percentage achieved	100%	100%	96%	98%	95%
Net Cost of Services (NCoS)	£254.5m	£257.7m	£266.5m	£271.8m	£290.1m
Savings as a percentage of NCoS	4%	3%	4%	4%	3%

Source: Angus Council

97. This is a significant level of savings; however as previously noted there is still a substantial funding gap which needs to be addressed. Increasing financial pressures mean more radical change is required to the scale and delivery of services. The council is reviewing services through its 'Business Insights' programme to improve the business intelligence for each service. This is aimed at understanding key measures like service quantity, quality and cost to identify

where resources may no longer be required, or where services can be delivered differently. This is seen as an important next step for the Change Programme to understand key metrics like service quantity, quality and cost to identify areas where services can be delivered differently. The council is currently developing a transitioned Change Programme to address future funding gaps.

98. The Deputy Chief Executive is leading on work with other councils, namely East Ayrshire and Wigan, on how to engage with communities on a vision for the future of local public services. The council recognises that it cannot provide all services with the current resources available. This is an opportunity for the community to take increased ownership of services and get involved in how they are delivered. Angus Council has a community asset transfer policy in place and has had several successful transfers ([paragraph 139.](#)).

A strategic workforce plan is in place and underlying service workforce plans are currently being updated

99. The council has a high-level strategic workforce plan covering the period 2019-2024. It covers workforce development, succession planning, developing the young workforce and workforce profiling / planning. The supporting action plan is updated each year as part of the budget process to ensure that it remains relevant by ensuring the council has the correct staff in the right places. This has also been updated to reflect the Agile programme and has embedded processes for staff engagement. The underlying service workforce plans are in the process of being updated. Angus Council has reduced its workforce by six per cent, based on employee numbers, since 2014/15. This is net of additional early learning and childcare provision, for which staff numbers were increased. When excluding this the council has reduced staff numbers by twelve percent in this same period.

100. The council has increased its focus on developing the young workforce through its 'Angus Works' programme ([Case study 2](#)):

Case study 2

Angus Works Programme

Angus Works is an extended work experience programme that is open to all S4-S6 pupils across Angus. It runs for 22 weeks (August to April) and forms part of the pupil's timetable. Each young person is engaged one day a week within an identified role supported by a mentor.

The programme was developed in consultation with local secondary schools and Education Scotland and is coordinated by the council. Interested young people are invited to submit an application form, indicating their preferred role and are invited to an assessment centre. Successful candidates are allocated to roles across the council.

This programme has been successful in preparing students for the transition to the workforce and in developing key skills. It gives the council the chance to engage with its potential future workforce and provides mentoring opportunities for its current staff. In 2019/20, 93 per cent of the 46 applicants successfully completed their placements and achieved high performance levels. The feedback on the programme has been positive from both pupils and mentors.

Source: Angus Council

101. The council has had recruitment issues in the past, linked to its rural setting. This has resulted in fewer than anticipated applications for roles and in several cases, roles having to be advertised multiple times. Work is under way to improve the recruitment process by making the application process less onerous, enabling people interested in roles to submit only their CVs.

102. The council is also looking to improve how it markets itself as an employer of choice including using videos and wider marketing through its website, especially in health and social care. Angus Council offers flexibility as one of its main selling points and has recently started to offer remote contracts to widen the pool of potential candidates. The council has done a lot of work on job evaluation as part of its Agile programme.

103. Angus Council staff have been affected by the Covid-19 pandemic with the move to home working. A lot of staff engagement has taken place making use of the Hive employee feedback platform to carry out surveys and get staff feedback. The council has also made use of 'employee voice' sessions where staff can provide input to strategic plans. These are held bi-annually and involve large scale meetings on Microsoft Teams, with breakout sessions to get feedback on organisational issues.

104. The council has also put a specific focus on the health and wellbeing of employees. This has included several health and wellbeing days over the course of the pandemic, with training and information sessions on mental health and resilience. An intranet page gives staff access to resources and information on health and other information on home working, such as how to lead a team remotely.

105. Angus Council has not met its targets on sickness absence in the last four years, but it has seen a significant improvement over the past year despite the impact of Covid-19. The target for teaching staff is 4 days with 2020/21 absence levels at 4.2 days, down from 7.5 days in the prior year. The target for other staff is 9.35 days with actuals at 10.5 days, down from 13.5 days. The switch to home working has had a significant impact on sickness absence as it provides flexibility for how people manage their work.

106. Trade unions representatives commented very positively on engagement with the council and on the support provided to staff. They did note that not all staff had digital access to corporate systems which created a barrier to communication for some staff.

An established digital strategy is kept under regular review and aligned with council priorities

107. The council has a 'digital first' ambition to ensure that services are easily accessible on a 24/7 basis. This is linked to the digital strategy, which in turn is aligned to the council's four priorities. The strategy is reviewed annually with the next update due in May 2022.

108. The council is aware of digital and cyber security risks and these feature on the corporate risk register. The council has achieved Public Services

Network (PSN) certification for cyber security. The council's business continuity arrangements were tested in March 2020 when the council had to make a quick shift to home working. This was managed quickly and efficiently.

109. A digital maturity assessment was recently completed, concluding that Angus Council is progressing well on its Digital Maturity journey. The overall assessment was 3 out of 5, placing it in a good position relative to many other public sector bodies.

110. One of the key challenges the council will have to address is digital skills, ensuring that it has the appropriate resources in place to deliver its digital strategy. As in other areas of the council, there have been difficulties in recruiting staff ([paragraph 101.](#)), with current concerns over the skills in the areas of service desk and IT engineers.

The council's progress with its Agile programme enabled it to adapt service delivery in response to the impact of Covid-19

111. In March 2020, at the start of the Covid-19 pandemic, the council was well positioned to make the switch from office working to homeworking. Many staff already had access to portable computing devices and had experience of working from home as part of the council's Agile programme.

112. The council is considering the next phase of the Agile programme and has taken the following action:

- It has assessed all roles to determine how much can be delivered via homeworking and how much must be done in an office or council building.
- It is holding staff engagement events to discuss the new Agile working policies - these are well-advertised on the council's intranet. Sessions are for all staff and for individual services, giving employees the chance to have an input as the policies are being developed.
- Trade unions are also involved in the consultation on proposed changes to terms and conditions and ways of working.

The council has published a Sustainability Strategy reflecting the Sustainable Development Commission principles

113. The council approved its Sustainable Energy and Climate Change Action Plan (SECAP) in November 2021. The SECAP was developed by an external consultant supporting a member-officer working group to address the council's responsibilities under the Climate Change etc. Act 2019. Key elements of the SECAP are to ensure that sustainability is a key priority for the council and to increase public awareness of sustainability and the impacts of climate change.

114. Capital investment in energy saving improvements and achieving net zero carbon emissions by 2045 is a key part of the council's housing investment programme. The council is improving the energy efficiency of its housing through a range of measures including fitting internal and external insulation, photovoltaic solar panels and replacing heating systems. The 25-year housing capital programme has been accelerated to prioritise delivery of these sustainability objectives, anticipating expected increases in tenants' fuel costs.

While this meant a projected overspend of £2 million on the £4 million budget allocated to energy saving work in the 2021/22 financial year, bringing forward future spend in this way was a positive change. The overall cost of the project is still expected to be within budget.

115. Waste management remains a key priority. The council partnered with Dundee City Council and MVV to reduce the amount of waste it sent to landfill by incinerating it instead, which, along with closing its Restenneth landfill site, contributed to reduced carbon emissions. The council's Climate Change Public Bodies Duty Report 2020/21 report stated that since the baseline year of 2010/11, Angus Council carbon emissions reduced by 49 per cent. Since the previous 2019/20 report, emissions from buildings had fallen by a further 8.8 per cent.

Part 4

Is the council working well with its partners?



The council has strong working relationships with partners with good examples of collaborative working.

The Community Plan is being reviewed and will cover the period 2022 to 2030.

Strong existing partnerships enabled the Angus Community Planning Partnership to respond quickly to the challenges of the Covid-19 pandemic.

The council recognises that it needs to engage more effectively with communities. The Vibrant Communities Team is at an early stage of taking this work forward.

On engaging with hard-to-reach communities, the council has focused on expanding digital engagement supporting its wider moves towards digitalisation.

The council is committed to partnership working and has strengthened positive relationships during the pandemic

116. Angus Council works well with partners to achieve the best outcomes for its citizens. It has good working relationships with a wide range of partners, including NHS Tayside, Police Scotland, the Scottish Fire and Rescue Service, the third sector, business partners and community representatives. It has one arm's-length external organisation – ANGUSalive, the Angus culture and leisure trust. Partnership working was strengthened during the response to Covid-19 and remains as the council moves into the recovery period.

117. Elected members, officers and partners commented on the strong existing partnerships that enabled the Angus CPP to respond quickly to the challenges of the Covid-19 pandemic. This included establishing the Humanitarian Assistance Angus Response Team (HAART) - a new service developed at the start of the pandemic focusing on the provision of food, medicines and befriending to vulnerable groups ([Case Study 3](#)).

Case study 3

Humanitarian assistance during Covid-19 pandemic

HAART delivered a trauma informed response and proactive outreach, initially to people shielding and then extended more widely to vulnerable adults and families. The team operated from The Cross third sector hub, a location where multiple organisations are based, facilitating good communication. HAART quickly developed systems to enable volunteers to deliver prescription medications, shopping, food parcels and befriending to those most in need. At the height of the response, there were over 1,000 active volunteers and up to 140 requests for assistance per day. HAART personally contacted around 4,000 people as part of its work.

HAART was also involved in co-ordinating Angus activity on the Scottish Government's 'Connecting Scotland' programme to provide tablets and laptops and support for people who were digitally excluded to develop digital skills.

The team took a personal and solution-focused approach to supporting local people and quickly established systems to triage requests, passing them onto relevant services for action. Vulnerable people were contacted by someone they were already involved with to discuss their support needs. This approach enabled volunteers and or services to be deployed to meet needs quickly and efficiently and for whole families to access early help and support to prevent concerns escalating.

HAART overcame barriers to multi-agency working as people focused on delivering support to those who needed it. The key role of Voluntary Action Angus (VAA) and its volunteers led to improved recognition of the third sector as an equal partner with statutory agencies in providing community services.

Source: Angus Council

There is evidence of strong pan-Tayside collaboration

118. Tayside Contracts is a long-term collaborative and commercial operating arm working for the three councils in Tayside. It provides key services to Angus Council and helped to ensure that services were maintained during the pandemic. Development of new services has continued including the launch of a new cook and freeze unit in February 2021 to provide nursery, school and community meals.

119. The Covid-19 pandemic had a direct impact on Tayside Contracts operations. The constituent councils provided financial support because of reduced levels of activity; however, actual financial performance for the year exceeded initial expectations.

120. The Tayside Regional Improvement Collaborative focuses on collaborative improvement for children, young people and families. Working with Tayside CPP and other key partners it developed the Tayside Plan for Children, Young People and Families. It focuses on reducing inequalities and improving outcomes for all children across Tayside and was informed by the views of and responses from children and families. Due to the pandemic the 2017-20 plan was extended to 2021 with the 2021-23 plan approved in September 2021.

121. The Tay Cities Region Deal, signed in December 2020, is a collaboration between the UK and Scottish Governments and the four local authorities in the Tay Cities Region (Angus, Dundee City, Fife and Perth and Kinross). The UK and Scottish Governments pledged up to £300 million over a ten-year period which aims to bring a further £400 million of investment and over 6,000 new job opportunities to the region. Currently the Tay Cities Region Deal has 26 identified projects across the four local authorities.

122. The Deal included a commitment of £26.5 million to the Angus Fund which has initiated the Mercury Programme, a £1 billion partnership programme between government and the public, private and community sectors. It aims to help the area develop as a sustainable, low carbon region through a range of projects. Some innovative projects are starting, but it is too early yet to see the impact.

123. The Tay Cities Region Deal is seen as strategically important for each of the three cross-cutting themes of Economy, People and Place in the Angus Community Plan 2017-30.

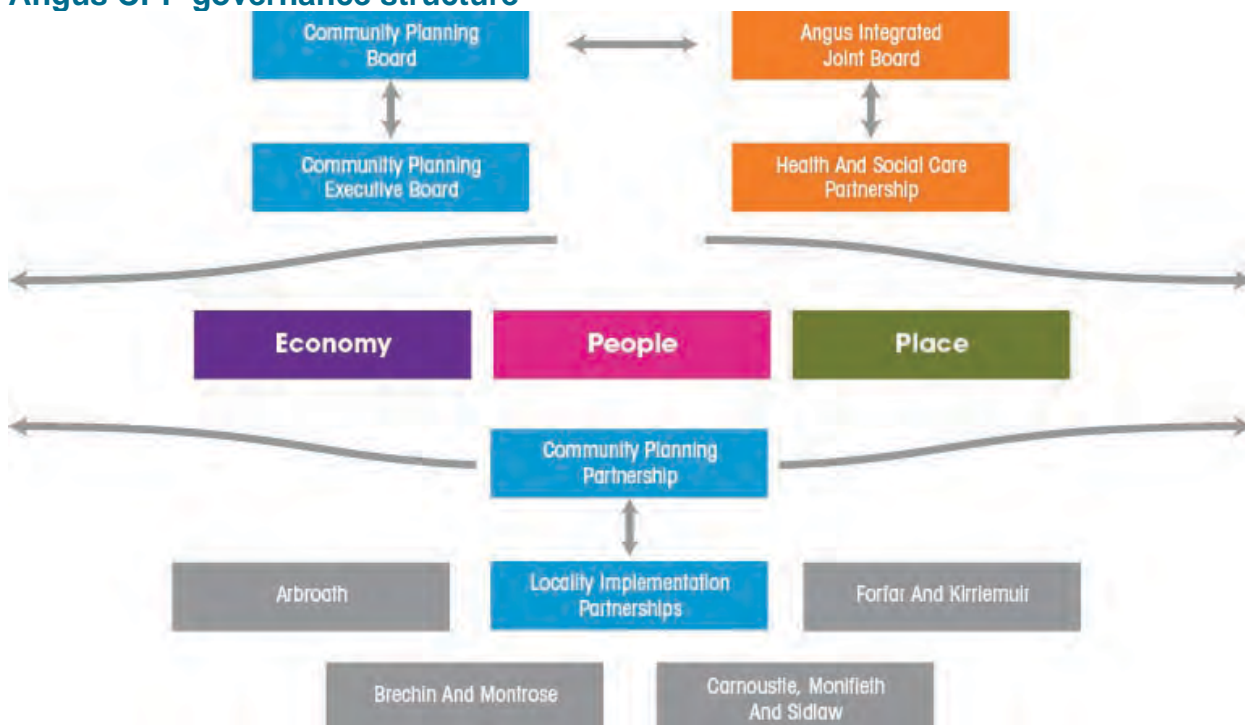
Community planning partners have a shared vision for Angus

124. The council is one of five statutory partners in the CPP that work closely at both strategic and operational levels. The CPP's priorities are set out in the Angus Community Plan 2017–2030 ([Exhibit 3](#)) and partners have also aligned their own strategic plans with the community planning outcomes.

125. The governance structure of the CPP was reviewed in response to the Covid-19 pandemic. At its November 2020 meeting it was agreed to continue holding joint meetings to streamline the decision-making process. The Joint Executive Board consists of senior officers from each of Angus's statutory agencies, representatives from Dundee and Angus College, ANGUSalive, VAA, Angus Community Planning Locality Implementation Partnerships, Angus Health and Social Care Partnership (AHSCP), the Community Justice Partnership and other third sector organisations.

126. [Exhibit 12](#) demonstrates the CPP's governance structure with the four locality implementation partnerships supporting the CPP and linking to the three cross-cutting themes of Economy, People and Place at every level. Following community consultation events and workshops, four locality plans were developed aligned with the locality implementation partnerships: Brechin / Montrose, Carnoustie / Monifieth / Sidlaw, Forfar / Kirriemuir and Arbroath. The locality plans were published in September 2017.

Exhibit 12 Angus CPP governance structure



Source: Angus Community Plan 2017-2030

127. The CPP sets out the partnership's commitments and focuses on reducing inequalities by: reducing child poverty, improving mental health and wellbeing, and improving accessibility and digital connectivity, and three interlinking cross-cutting themes. Progress on key projects is reported at CPP meetings and in the annual performance report. Partners spoke positively about the level of engagement and communication.

The CPP annual performance report does not clearly link how its actions are influencing the outcomes it wants to achieve

128. The most recent CPP annual performance report for 2020/21 includes information on performance in a number of indicators over the last five years under each cross-cutting theme. The report outlines the projects and work completed by partners and includes case studies for each of the three priorities. This reporting approach is informative, but the narrative could more clearly demonstrate how the actions described influence the performance indicators and outcomes.

129. The Improvement Service's CPOP is a collection of 18 measures to help assess whether residents' lives are improving. Angus CPP's performance has improved in eight and declined in ten of the 18 CPOP indicators between 2015/16 and 2019/20.

- The most significant improvement relates to the number of people living in fuel poverty (48.6 per cent reduction) which outstrips both the Scottish average and the family group performance. Notable improvements are

also evident in reducing crime (15 per cent) and carbon emissions (13.9 per cent) and increasing median earnings (12.9 per cent).

- A significant decline has been seen in the number of people claiming out of work benefits (55.4 per cent increase) higher than both the Scottish average and family group. Other indicators that have declined include the number of children living in poverty (28.6 per cent increase), where performance is similar to the other comparators, business survival (15.4 per cent decline) and unplanned hospital attendances (19 per cent increase) where performance is worse than the other comparators.

Strong existing relationships enabled the council and partners to respond quickly to the Covid-19 pandemic

130. Strong existing working partnerships and relationships enabled the council, CPP and AHSCP to respond quickly to the challenges of the Covid-19 pandemic. This included establishing the HAART ([Case study 3](#)).

131. Following the success of the front-line response, the HAART Steering Group carried out a lessons learned exercise based on feedback from partners. HAART created a significant opportunity to develop new ways of working, linked to the CPP. After a CPP discussion in July 2020 and a series of workshops, it was decided to merge the HAART arrangements into a leaner responsive body called the Angus Response Collaborative.

132. The third sector played a significant role in the front-line response to the pandemic and resulted in a new initiative, Angus Connect, being established between VAA and around 20 third sector organisations. It brought third sector organisations together to help build capacity and actively promote the sector and its support to communities. This initiative helped reach people most in need during the height of the pandemic and was integrated with the local response and HAART's work.

133. Partners were clear that the working relationships during the Covid-19 pandemic meant that partners could quickly and easily react to the impact of other emergencies in communities. This was demonstrated during the response to Storm Arwen (see [paragraph 140. 140.](#)) and in the Tayside Local Resilience Partnership's de-brief in December 2021, when Scottish and Southern Electricity Networks referred to the Angus partners' response to the storm as the 'gold standard' of effective partnership working. Some Angus initiatives and best practice has been shared with other regions.

The council and its partners are committed to meaningful engagement with communities, but a council-wide approach is not yet in place

134. The council engages with communities through a range of approaches. It has focused on digital approaches during the pandemic, including hosting workshops and engagement events online. For example, 'Arbroath: A Place for Everyone' had a range of consultation approaches including online community events, a virtual hub using the online platform Social Pinpoint, two drop-in events and a household survey. Partners and elected members also focused on

the need to have other forms of approach, including face to face and phone calls, for those without digital access.

135. The council’s website also has a “Have Your Say” section for residents and service users to feed into current consultation exercises. Although the council has no single corporate approach, examples of effective consultation and listening to communities include the decision to demolish a former leisure centre in Forfar ([paragraph 32.](#)) and the proposal to include Monifieth public library in the new learning campus in 2021. The public consultation on the Monifieth library proposal highlighted that local residents did not want this. The decision was made to listen to these views and not continue with the original proposals.

136. The council recognises that it does not yet have a council-wide approach to community engagement and needs to engage more effectively. It has looked to learn from other councils’ approaches to community engagement ([paragraph 98.](#)). This is especially important given the budget challenges ahead and the need for redesign of future service provision. The new Vibrant Communities team is taking this work forward. A council-wide audit of current tools, software and budgets has been undertaken and a new engagement and consultation platform will be established. In addition, learning and engagement modules on community consultation are being developed with the Scottish Community Development Centre. These will be made available for free to all partners including the third sector.

The council has made progress implementing the Community Asset Transfer requirements of the Community Empowerment (Scotland) Act 2015

137. The Community Empowerment (Scotland) Act 2015 gives people more influence over how their council and its partners plan services. It provides formal routes for people to become more involved, including participatory budgeting, participation requests and community asset transfers. The Act also aims to tackle poverty and inequalities across communities by targeting resources to those most in need.

138. The Act makes it easier for communities to take ownership of, or responsibility for, land and buildings belonging to the council. Angus Council has a history of supporting community groups to manage and own facilities that pre-dates the Act (e.g. Brechin City Hall, Friockheim Community Hub and the Montrose Playhouse). Examples of community asset transfers under the Act include premises leased to Angus Cycle Hub, Arbroath Men’s Shed and Carnoustie and Monifieth Men’s Shed, and the long-term lease of allotments to Arbroath Garden Allotment Association. Surplus assets are offered to the community but may not all be suited to community ownership and operation. In addition, as reported in ([paragraph 75.](#)) several surplus council buildings are being repurposed as social housing.

139. The council received only two community asset transfer applications in 2020/21 compared with seven in the previous year. One was approved with the other deferred for further consideration and ultimately approved in June 2021. Work to review and improve the effectiveness of the council’s approach to community asset transfers during 2020/21 included officers’ discussions with East Ayrshire Council to share learning and regular reviews of supporting procedures to learn from previous applications and responses.

140. The council and partners also enable rural community empowerment in other ways, including designating Eassie and Nevay village hall as a local resilience centre that can be used as a safe refuge during emergencies. During Storm Arwen the local community used the village hall generator to provide power and offer hot food, hot water and phone/device charging so people had means of communicating. Partners were also involved in the emergency response, for example the Tayside 4x4 Response charity drove VAA volunteers up the Angus Glens checking all homes to ensure that people were safe.

The council needs to go further in its approach to participatory budgeting

141. Participatory budgeting is a way of giving local people a greater say in how the council spends some of its money. Angus Council is committed to the Scottish Government's aim that one per cent of the council's budget will be spent on community choices. Before the pandemic the aim was to reach one per cent by the end of 2021, but it has not met this target.

142. To date the council has focused on small grant schemes, with the most recent exercise in late 2021 making a total of £260,000 available across four localities. The council received good engagement with this scheme, and the total value of bids was £640,000. Voting was publicised through the Social Pinpoint platform. This shows there is an appetite for the community to be engaged further in the budgeting process. If the council is going to meet the one per cent target - £2.3 million in 2021/22 when calculated in line with COSLA guidance - then the council has to go further with regards to "mainstreaming" participatory budgeting. This will ensure the public have more influence over the council's core spending decisions.

Local projects are targeted at addressing inequalities across different communities

143. The Accounts Commission's [Local government in Scotland: Overview 2021](#) report says that Covid-19 has laid bare and exacerbated existing inequalities in areas such as health, work, income, housing and education across Scotland's communities. The multiple impacts of these inequalities have affected the most vulnerable, minority groups and women.

144. Reducing inequalities is one of the council's priorities, demonstrated by the range of work that the council and partners are undertaking. The council has adopted a joint equality impact assessment and Fairer Scotland Duty assessment since January 2021 for all relevant committee reports. Tay Cities Region Deal projects are required to meet inclusive growth and Fairer Scotland Duty criteria.

145. Domestic abuse training and awareness sessions have been a theme at leadership forums during 2021 and the council has provided training for elected members and council staff. Members of the council's Communities team led the development of an Angus Youth Engagement Strategy for the CPP in 2018. It was co-designed by young people and CPP members.

146. The Children, Families and Justice team, working with Who Cares? Scotland and the Corporate Parenting board, act on young people's views of the way feedback is provided. The approach has now been changed to be less

formal and more interactive. The council and partners, including VAA, are part of the Tayside-wide Children and Families Leadership Academy which supports leaders to develop innovative multi-agency work to reduce inequalities for vulnerable children and families.

147. The Angus Violence against Women Partnership is a multi-agency partnership dedicated to tackling all violence against women and girls. It reports to the Angus Chief Officer Group comprising senior officers from Police Scotland, NHS Tayside and the Chief Executive of Angus Council as well as the CPP and the Protecting People Angus Partnership ([Case study 4](#)).

Case study 4

Glen Isla and Glen Clova projects

The Glen Isla project is an initiative supporting vulnerable women. It recognises that women who have had traumatic life experiences are more likely to experience mental health crises, substance misuse, and relationship and accommodation difficulties. This can significantly affect them, their families and communities. As part of its Finance and Change Plan 2019-2024, the council extended financial support and established the Glen Clova project.

The ethos of the Glen Clova project is to work in a trauma informed way with support tailored to the individual over either the short or the longer term. There is a high level of voluntary engagement. As at March 2022 it had supported 131 women. Financial savings are difficult to measure; however, the council estimates that a specific example saved around £8,500 for the statutory agencies. The key priority of this project is to make changes for individuals and their families' future life chances and avoid longer term crisis interventions.

In addition, at the start of the Covid 19 pandemic, the project staff recognised the increased risk of gender-based violence. New guidance was drawn up and implemented. This was shared as good practice with COSLA and equality colleagues across local authorities and the national co-ordinator for violence against women.

Source: Angus Council – Independent Evaluation Report March 2022

New models of delivery for health and social care are being introduced, but more needs to change to remain financially sustainable

148. Although AHSCP has reserves available, the way that health and social care services are delivered needs to change to remain financially sustainable. AHSCP is projecting a reserves balance at 31 March 2022 of £31 million, however most is earmarked with only £5.2 million available for other use. There is a recurring shortfall in the partnership's Strategic Financial Plan that will consume the general reserve and result in a £6.3 million cumulative shortfall by 2024/25.

149. Between 2018 and 2028, the population of Angus is projected to decrease by 0.8 per cent compared with a projected increase for Scotland of 1.8 per cent. However, the average age of that population is projected to increase and more

people are expected to live longer. The 75 and over age group is projected to see the largest percentage increase (+30.3 per cent) and will have a significant impact on the demand for the services provided by the AHSCP. Difficulties in recruiting social care staff and GPs (which are national and not specific to Angus) are already resulting in unmet need.

150. As well as a general increase in overall demand, AHSCP faces a significant challenge in addressing the changing pattern of demand from provision in care homes to care at home. Demand for care at home rose sharply during the Covid-19 pandemic, alongside significant vacancy rates in care homes. This pattern of demand is set to continue. The AHSCP agreed in February 2022 to close the Beech Hill House Care Home to release resources to support care at home. It also agreed to revisit the options for replacing The Gables as the projected costs had increased from £3.5 million to £5.7 million.

151. AHSCP has made some good progress in shifting care from hospitals into the community, and in introducing social prescribing. Now more needs to change in the way services are delivered. The partnership keeps its services under review and has introduced new models to improve patients' experience of care, such as Mental Health Enhanced Community Support and the Community Treatment and Care Service ([Case study 5](#)).

Case study 5

Integrated community health and care services

Mental Health Enhanced Community Support co-locates GPs, mental health and wellbeing services and substance use services, providing one referral route, with no referrals rejected. This is a person-centred approach which coordinates the relevant services that each person needs and allows coordinated planning of care for hospital discharge.

The “hub and spoke” model for the Community Treatment and Care Service (CTCS) aims to reduce GP workload and prevent duplication by providing access to tests and treatment in a community hub; those services were previously provided in a number of different ways and locations (practices, community hospitals, treatment rooms and Minor Injury and Illness Units). The CTCS provides patients with safe, convenient and comprehensive access to treatment and care services that are located within the community. For areas without hubs, spokes based in local practices are being developed.

Source: Angus Health and Social Care Partnership

152. AHSCP, ANGUSalive and Angus Council have committed funding for a two-year test of change project to develop preventative health and wellbeing activities which should, over time, shift the balance of care.

153. The National Integration indicators 2019/20 show that Angus's performance is higher than the Scottish rate in a number of areas including: the percentage of adults who agree that they are supported to live as independently as possible at home; the percentage of adults supported at home who agree that they had a say in how their help, care or support was provided; the

percentage of adults receiving any care or support who rate it as excellent or good, and the percentage of adults supported at home who agree that their services and support had an impact in improving or maintaining their quality of life. There are also areas of declining performance including the rate of emergency readmissions which also declined at a Scottish level, but Angus performed less well than Scotland overall in each of the last five years.

154. The adult social care LGBF indicators also show some areas where Angus has lower performance than the Scottish rate: the percentage of adults with intensive care needs receiving care at home and the percentage of people with positive experience of care at their GP practice. The percentage of carers who feel supported to continue in their caring role while consistent with the Scottish rate is low at 34.9 per cent.

155. The partnership monitors its performance indicators through six-monthly performance reports to the Integration Joint Board (IJB): areas that are below target or declining are scrutinised to understand the reasons for this and to ensure that appropriate improvement action is being taken. AHSCP also publishes an annual performance report against its priorities and reports this to both the IJB and the council.

156. The AHSCP website has a 'How we performed in 2019/20' section which summarises the relationship between the Angus strategic priorities and performance areas, the national wellbeing outcomes and the national core indicators. For each priority it shows key measures, the improvement or decline in those measures and the action being taken by AHSCP. It also has local examples of the impact on individual service users. The website section is not exhaustive, but it is an accessible way of relating performance data to what that means in practice. Due to ongoing workload pressures from the Covid-19 pandemic the 2020/21 data is still to be updated on the website.

157. The impact of the Covid-19 pandemic was also reflected in AHSCP's most recent interim performance report. This included an improvement in the falls rate, a reduction in the number of hours of respite and care home placements, an increase in care at home and personal care hours (linked to the reduction in respite and closure of day care facilities), a reduction in emergency admissions and increase in the average length of stay in hospital following an emergency and increase in complex delays.

AHSCP is working with partners in Tayside to implement improvement actions

Tayside Mental Health Inquiry

158. On 5 February 2020 the Independent Inquiry into Mental Health Services in Tayside published its final report, [Trust and Respect](#). The report highlighted major failings in the delivery of mental health services across Tayside and cited a breakdown of trust and a lack of respect as key factors that undermined public confidence.

159. Tayside Executive Partners¹ accepted the report's findings and have since worked together to improve mental health services for those who need them and those who deliver them. On 25 February 2021 the [Tayside Mental Health and Wellbeing Strategy](#), 'Living Life Well' was launched. This was co-created with input from over 600 stakeholders with lived and professional experience.

160. Service improvements include seven-day working for Angus Community Mental Health Services which was fully implemented across the area in September 2021. The community mental health nursing team at the Montrose Mental Health Hub won the Community Mental Health Nursing category of the Mental Health Nursing Forum Scotland Awards 2021 and was also a joint winner of the Overall Winners Award.

Significant Case Review P19

161. The Angus Adult Protection Committee (AAPC) Significant Case Review (SCR) P19 was published on 25 November 2021. Adult Protection Committees and Chief Officers have responsibility for commissioning SCRs and ensuring any improvement actions are delivered. There are 59 recommendations assigned to a range of agencies including Angus Council and AHSCP. Both considered the SCR and the draft multi-agency action plan at a meeting in early 2022.

162. The AAPC is overseeing the improvement action work through a mandated subgroup. The Scottish Government has shown considerable interest in the SCR and has issued a commission to Healthcare Improvement Scotland and the Care Inspectorate; these bodies are engaged with AHSCP and AAPC in taking that work forward. Some high-risk matters were addressed before the publication of the SCR, as a result of the Initial Case Review. Significant work is required to complete the improvement actions with AHSCP having 20 stand-alone actions and sharing a number of wider multi-agency improvements.

163. Angus Council and AHSCP are taking appropriate ownership of improvement actions and monitoring progress at a senior level.

¹ Tayside Executive Partners is made up of the Chief Executives of NHS Tayside and Angus, Dundee City and Perth & Kinross Councils and the Tayside Divisional Commander of Police Scotland; it issued a collective statement of intent following the publication of the report.

Part 5

Is the council demonstrating continuous improvement?



The council has demonstrated a good pace of improvement. It has removed layers of management and is keen to learn from others.

Plans and resources are focused on priorities and some hard decisions have been made, with cross-party agreement, to achieve financial balance.

The council is demonstrating improvements in delivering priority services.

The council has done well to achieve financial balance, but increasing pressures mean that it needs to make more radical changes in service provision. The council recognises the need to engage with the local community on the difficult choices ahead.

Progress in embedding a council-wide performance management framework has been slow, although improvement is evident.

The council has demonstrated a good pace of improvement since the previous Best Value audit

164. A timeline of the council's previous Best Value reports is shown in the [Appendix](#). In the Best Value audit 2016 (October 2016), the Accounts Commission reported that the council needed to raise the level of its ambition and increase the pace and depth of improvement; at that point it was implementing initiatives which many councils had already put in place. The council faced a significant challenge to identify and deliver savings.

165. Angus Council has changed significantly since the 2016 Best Value audit report. It has reduced the layers of management and is more outward looking. It has reshaped services and made good progress in delivering financial savings through its Change Programme. This has involved making difficult decisions to focus resources on priority areas. The council is demonstrating continuous improvement in delivering priority services. Its use of self-evaluation and challenge covers all services, although the progress of the PLED programme varies across services and has been delayed by the Covid-19 pandemic. The

council maintains a steady pace of change leading to improved outcomes in priority areas.

166. When the PLED programme is fully embedded it will enable the council to use self-assessment to drive targeted improvement. It has yet to get to this point. As we have reported, progress in implementing the PLED programme is not consistent across services. The Covid-19 pandemic has had a significant impact on some services' capacity to progress the PLED programme. Further work is required if the council is to realise its ambition to be a performance-led council.

167. The council gathers feedback on services through surveys, representative groups and consultations and where appropriate reports it to the council and relevant committees. The council's website provides details of the current consultation exercises for the council and partners and a link to national consultations by the Scottish Government. There is also a link to an archive of completed consultations and to further information on community councils and participatory budgeting.

168. The council is aware that it needs to continue to engage with the local community to identify needs and inform future service changes and delivery models to ensure long term financial sustainability.

Exhibit 16

A comparison of key Best Value judgements from 2016 and 2021 shows that the council has made good progress but further improvement is needed to embed performance management

2016 judgement	2022 Controller of Audit judgement	View
Slow pace of change	Since the 2016 report we have seen an increase in the pace of change and improvement. The council is focused on its priorities and links these to its budget setting. It has significantly reduced its size and delivered the majority of Change Programme planned savings. However, it needs to focus on the future. The council faces significant, increasing financial pressures and more radical service redesign and reduction is required.	Part 1
More openness and transparency	The council now operates in an open and transparent manner with public accountability a central priority in the revised governance arrangements introduced during the pandemic. We reported in 2018/19 that public scrutiny was limited: we have observed improved scrutiny since then. There are also signs of improved options appraisal reporting.	Part 1

2016 judgement	2022 Controller of Audit judgement	View
Focus on service performance priorities	<p>Resources are now focused on priority service areas through budget setting and the Finance and Change Plan. But there is not yet an explicit link between service performance reporting, priorities for improvement and budget setting.</p> <p>The council accepts that performance on non-priority areas will decline but this is kept under review. Road condition performance declined as a result of redirecting resources to higher priorities in earlier years, but additional resource is included in the 2022/23 budget to ensure that performance does not drop below an acceptable standard.</p>	Part 2
Increased learning from other councils	<p>Angus Council is now more outward looking and keen to learn from others. The Deputy Chief Executive is leading on work with other councils on how to engage with communities on what local public services will be in future.</p>	Part 4
More coherent performance management	<p>Angus Council has made slow progress in embedding its Performance Led (PLED) programme. It has been working to roll out HGIOC across all services as a consistent corporate approach. Services are at different stages of using performance data to drive improvement. Further progress is required if the council is to achieve its ambition to be a performance led council.</p>	Part 2
Improvements to budgeting processes	<p>The rolling three-year medium term budget strategy is well established. The Finance and Change Plan is part of the budget setting papers which forms an accessible summary of the financial pressures and the funding gap and how it will be addressed.</p>	Part 3
More detailed workforce plan	<p>Workforce planning has developed since 2016 and the council is engaged with national groups. The Strategic Workforce Plan 2019-2024 informs the Council Plan and Finance and Change plan. Service level workforce plans are in place and there is an annual action plan at both corporate and service level.</p>	Part 3

2016 judgement	2022 Controller of Audit judgement	View
Appropriate management capacity	<p>The council streamlined its management structure which reduced the number of senior management posts and increased middle manager capacity.</p> <p>The council recognised the need to support and empower this middle management level through management development investment.</p> <p>The council has restructured in phases, revisiting where necessary.</p>	Part 1

Source: Audit Scotland

Recommendations

Recommendation 1 - The council and AHSCP must develop and deliver significant savings plans over the next few years to secure financial sustainability. This will require changes to the range and scope of services being delivered.

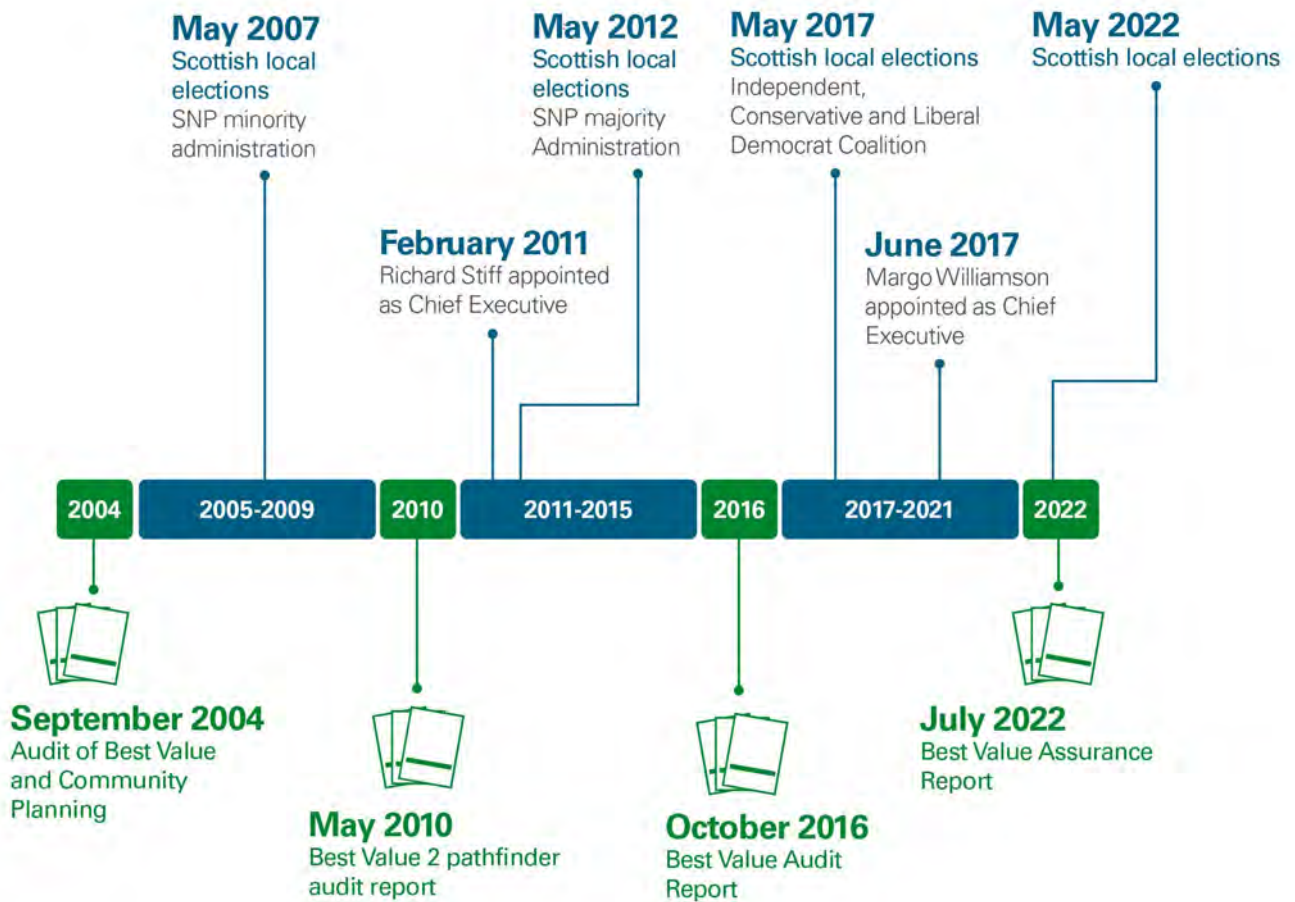
Recommendation 2 - The council needs to work better and more meaningfully with communities to engage with them to identify needs and opportunities and implement service changes that deliver the required savings.

Recommendation 3 - The council should complete its implementation of the PLED programme which will improve the use of performance information and better demonstrate the impact of improvement actions.

Recommendation 4 - The council should introduce its partially developed long-term financial planning framework.

Appendix 1

Best Value audit timeline



Angus Council

Best Value Assurance Report

Audit Scotland's published material is available for download on the website in a number of formats. For information on our accessibility principles, please visit:

www.audit-scotland.gov.uk/accessibility

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MEETING: 9 JUNE 2022

REPORT BY: AUDIT DIRECTOR, AUDIT SERVICES

HOUSING BENEFIT PERFORMANCE AUDIT

Purpose

1. The purpose of this report is to update the Commission on the Housing Benefit (HB) performance audit work carried out in 2022/23, to advise of the scope for the previously agreed thematic study for 2022/23 on 'Resourcing the benefit service', and to seek approval and a way forward for the Commission's work in this regard.

Background

2. The Accounts Commission has responsibility for inspecting HB services in Scotland under Section 105A of the Local Government Scotland Act 1973. It agreed to this role from 2008, following a request from the Department for Work and Pensions (DWP). This replaced the work of the Benefit Fraud Inspectorate in Scottish councils and arrangements for the work are set out in a Memorandum of Understanding between Audit Scotland and the DWP, which is reviewed every five years. The Commission discharges this responsibility through a programme of HB performance audit work.
3. In March 2019, the Commission agreed to a [new approach](#) to HB performance audit work. It introduced more thematic cross-cutting reviews to look strategically at the issues raised across councils, reducing the number of individual performance audits undertaken. In November 2020, the Commission approved the proposed thematic study '[The impact of Covid-19 on Scottish councils' benefit services](#)'. The study report was approved by the Commission at its September meeting and published on 7 October 2020.
4. To provide assurance that best use is made of available resources, in addition to thematic studies, the team carries out scrutiny of Scottish councils' claims processing performance and engages with the DWP and other colleagues across Audit Scotland. This enables potential issues to be identified and informs the work programme. Local audit teams' annual work on the HB subsidy audit provides additional assurance that the £1.4 billion in HB paid out by Scottish councils each year is being scrutinised.

2022/23 work programme

5. The team remains on target to carry out two HB performance audits in 2022/23, based on a desktop assessment. The first audit on Clackmannanshire Council has recently been concluded. The council was selected as it had the best reported performance in 2020/21 for new claims processing and we hoped to identify good practice that could be shared with the wider benefit community.
6. However, our engagement with the council was challenging and the information provided in support of the self-assessment was limited. This meant that a full and comprehensive review of performance was not possible. Our audit findings, based on the information provided by the council and that obtained from other sources, included three recommendations for improvement.

7. The team's next performance audit on East Lothian Council has commenced and is due to report in summer 2022. The findings from both HB performance audits will be reported to the Commission as part of the 2022 annual audit update.

Thematic study – Resourcing the benefit service

8. As a result of the pressures on council services due to the Covid-19 pandemic, the planned work on 'Resourcing the benefit service' did not go ahead as originally planned in 2020. In [November 2021](#) the Commission agreed to revisit this area as part of the 2022/23 work programme.
9. In preparing for the migration of claims to Universal Credit (UC), Scottish councils have sought to retain benefit staff expertise by diversifying into other areas of financial assessment, for example, Educational Maintenance Awards, School Clothing Grants, Council Tax Reduction and applications to the Scottish Welfare Fund.
10. This means that many councils no longer operate a generic benefit service and to compare Scottish councils' claims processing performance in a fair and accurate manner, the composition and workload of each service needs to be considered.
11. The study aims to establish a profile of each benefit service in Scotland and assess claims processing performance by including the impact of other factors such as workload, resources (incl. absences), call handling volumes, experience levels and caseloads. A questionnaire is currently being developed for distribution to all councils and prior to finalisation we will engage directly with a number of councils to ensure it is appropriately targeted.
12. This approach has been effective in previous studies. We intend to use an electronic survey tool to collect responses, however work is still ongoing within Audit Scotland to secure this which will delay the issue of the questionnaire and the overall timing of concluding this thematic study. We still intend to complete this work by the end of 2022.
13. The study scope is attached at Appendix 1 for the Commission's consideration and comment.

Conclusion

14. The Commission is invited to:
 - note the HB performance audit work carried out
 - agree the scope for the 'Resourcing the benefit service' thematic study and the slightly delayed timeline to enable an electronic survey tool to be procured.

Carole Grant
Audit Director, Audit Services
31 May 2022

Resourcing the benefit service - Scope

1. Background

1.1 Since the introduction of Universal Credit (UC) in 2013, Scottish councils have been preparing the housing benefit (HB) service for a reduction in staff because of reducing caseloads and uncertainty over the future delivery of the service. Although the timeline for the full migration of the HB caseload to UC was originally 2018, this has been extended several times by the Department for Work and Pensions (DWP) and is now scheduled for completion by September 2024.

1.2 In preparing for the migration of cases to UC, Scottish councils have sought to retain benefit staff expertise by diversifying into other areas of financial assessment, for example, Educational Maintenance Awards, School Clothing Grants, Council Tax Reduction, and applications to the Scottish Welfare Fund.

1.3 This means that many councils are no longer operating a generic HB service, and to compare claims processing performance of HB services fairly and accurately across Scotland the composition and workload of each service needs to be considered.

2. Description and deliverables

2.1 This study aims to establish a profile of each HB service in Scotland and to assess claims processing performance by including the impact of other factors such as workload, resources (incl. absences), call handling, experience levels, and caseloads.

2.2 The study will include:

- an e-mail to all Scottish councils' Chief Executives advising of the study
- an e-mail and questionnaire to all Scottish councils' HB managers for completion
- a thematic study report for consideration and approval by the Accounts Commission
- a published report e-mailed to all Scottish councils' Chief Executives, HB managers, the DWP and placed on the Audit Scotland website.

4. Boundaries and assumptions

4.1 Included within the scope of the thematic study is:

- a review of Scottish council's HB resources
- a review of Scottish councils claims processing performance
- analysis of the questionnaire responses and associated data.

4.2 The study will not include an analysis of the performance of the HB services in other areas of HB administration, such as overpayment recovery, or other elements of the HB services, such as time taken to process other applications.

4.3. We have working to ensure we receive responses from all Scottish councils and are assuming that the necessary data will be provided on staffing levels (including overtime and absence data), workload level and performance information.

MEETING: 9 JUNE 2022

REPORT BY: EXECUTIVE DIRECTOR OF PERFORMANCE AUDIT AND BEST VALUE

STRATEGY AND WORK PROGRAMME: WORK PROGRAMME UPDATE

Purpose

1. This paper introduces the joint Accounts Commission and Auditor General for Scotland (AGS) work programme update.

Background

2. In April 2021 the Commission and AGS agreed the joint dynamic work programme. We published this on the Audit Scotland website on 24 May 2021. In April 2022 we refreshed the website to include our planned audit work for 2022/23. This is the fourth quarterly update of the programme, and the next update will be in September 2022.

Scope and approach

3. Appendix one presents the work programme update. It aims to provide one report that meets the needs of the Commission and AGS, with clarity on who is producing which products and when. It covers our whole range of audit work and includes:
 - a) **What we've delivered:** From March 2022 to May 2022.
 - b) **What's coming up:** Planned audit products from June 2022 to December 2022, and audit work in the pipeline from January 2023 to March 2024.
 - c) **Decisions required:** Proposed changes to the programme.
4. We have continued to develop our reporting on the longer-term work programme, ensuring it reflects all key areas where we have audit products planned beyond December 2022, or where there is significant research and development work planned to scope potential audit products to include in future work programme proposals.
5. In this update report our key messages reflect on how audit product delivery has changed from 2020/21 to 2021/22 and the implications this has had for the longer-term programme. We are welcoming the breathing space expected in the programme later this year and are thinking about how the Commission might use that time strategically for stakeholder engagement and getting key messages out, potentially drawing on its back catalogue of reports. We continue to develop longer-term work programme proposals and welcome the Commission's feedback on the relative priorities to help us make strategic recommendations about the spacing and sequencing of products, as well as where to focus resources.
6. To support the dynamic programme, we continue to review and analyse feedback and discussions from Accounts Commission meetings and Performance Audit Committee (PAC) and Financial Audit and Assurance Committee (FAAC) meetings. We share this analysis with senior managers in Performance Audit and Best Value (PABV) to inform our research and development and this update.

Wider work programme development

7. Accounts Commission members will see some of their feedback addressed through specific audit work over the coming months and in the longer-term programme, while some feedback will be addressed through our wider work programme development plans.

Impact monitoring, evaluation, and reporting

8. We continue to work on proposals on how to take forward a holistic approach to monitoring, evaluating and reporting on both the impact of the audit work we undertake on behalf of the Commission and AGS, and on stakeholder perceptions and awareness of the parties involved in public audit in Scotland.
9. Since the last work programme update in March, we have spoken with colleagues across Audit Scotland to gather information on how they are currently monitoring, evaluating and reporting on impact. From these conversations and our desk-based research of historic work in this area, we have drafted proposals for a future approach. These are set out in Appendix two and cover the following:
 - a) project objectives, proposed impact framework and scope
 - b) proposed principles to drive our approach
 - c) reflections on our strategic context: The impact we are trying to have
 - d) reflections on what we mean by impact and our key sources of impact
 - e) proposed measures, reporting in place and options for further reporting on immediate and extended impact
 - f) next steps.
10. We are interested in the Commission's feedback on these proposals, in particular on the frequency and content of impact reporting, which we can continue to develop working with the Commission support team. We will ensure this is joined up with the Commission's emerging communications and engagement strategy.
11. In addition to what is covered in the proposals, the Commission has noted it wants to consider the role of sponsors in impact work. We would like to hear more about its ideas and expectations in this area to help us work with the Commission support team to incorporate this into the proposals.

Resourcing the work programme

12. The Commission is interested in what resources it has committed to products across the work programme and the options this presents for future decision-making on quarterly work programme updates.
13. We want to provide information that:
 - a) supports discussions about the **strategic impact** it wants its audit work to have
 - b) provides **assurance** about where its resources are going
 - c) provides adequate information to help it **understand options and make choices** about audit products.

14. Resource deployment across the work programme is complex. We are currently undertaking a project to improve and refine our data and reporting in this area. We have divided all key areas of local and national government policy into 12 portfolios and are now implementing a new portfolio-based approach to audit budgeting and cost monitoring within PABV. This is based on the following principles:
- a) **Time on priorities** – Providing assurance that we are deploying our resources on agreed priorities.
 - b) **Overall cost of audit** – Understanding the overall cost of our audit work.
 - c) **Improving resource deployment** – Improving the monitoring of planned budget versus actual spend to improve our overall approach to resource deployment.
 - d) **Empowering staff** – Ensuring managers have the flexibility to oversee budgets to innovate and achieve impact.
 - e) **Outcomes-focused** – Investing in teams to deliver outcomes.
15. As part of this project, we are reviewing assumptions about how staff spend their time and using projected whole time equivalent data to forecast our audit work budget. Each portfolio is working on budget proposals that set out intended time on research and development, and audit product delivery based on the current work programme proposals.
16. We will report on progress with this project as part of the September work programme update. The audit budget and cost improvement work we have described above should not be considered in isolation from the Commission's overall resource envelope, including the income from audit fees and the income from the Scottish Consolidated Fund, as well as its expenditure on other areas like financial audit and the new approach to Best Value (BV). This is clearly connected to the Commission's emerging change programme, and we will keep abreast of these developments to help us present an integrated picture of resource deployment.

Conclusion

17. The Commission is asked to:
- a) note the progress delivering the work programme from March 2022 to May 2022
 - b) note the planned products up to December 2022 and identify its priorities within these plans
 - c) discuss and agree the proposed changes to the programme, summarised on slides 9-10 of Appendix one
 - d) discuss and feedback on the audit work in the pipeline for January 2023 onwards, summarised on slides 10-24, noting that this is flexible and can be revisited as part of future work programme updates
 - e) agree to delegate to the Chair and Interim Deputy Chair final approval for this update at a joint meeting with the AGS on 20 June 2022
 - f) discuss and feedback on the proposals for impact monitoring, evaluation and reporting outlined in Appendix two, in particular providing feedback on what it would like to see in terms of impact reporting (content and frequency) and the role of sponsors

- g) discuss and feedback on the planned work to improve data and reporting on deployment of resources across the work programme.

Antony Clark
Executive Director of Performance Audit and Best Value
23 May 2022

Dynamic work programme – Update

June 2022

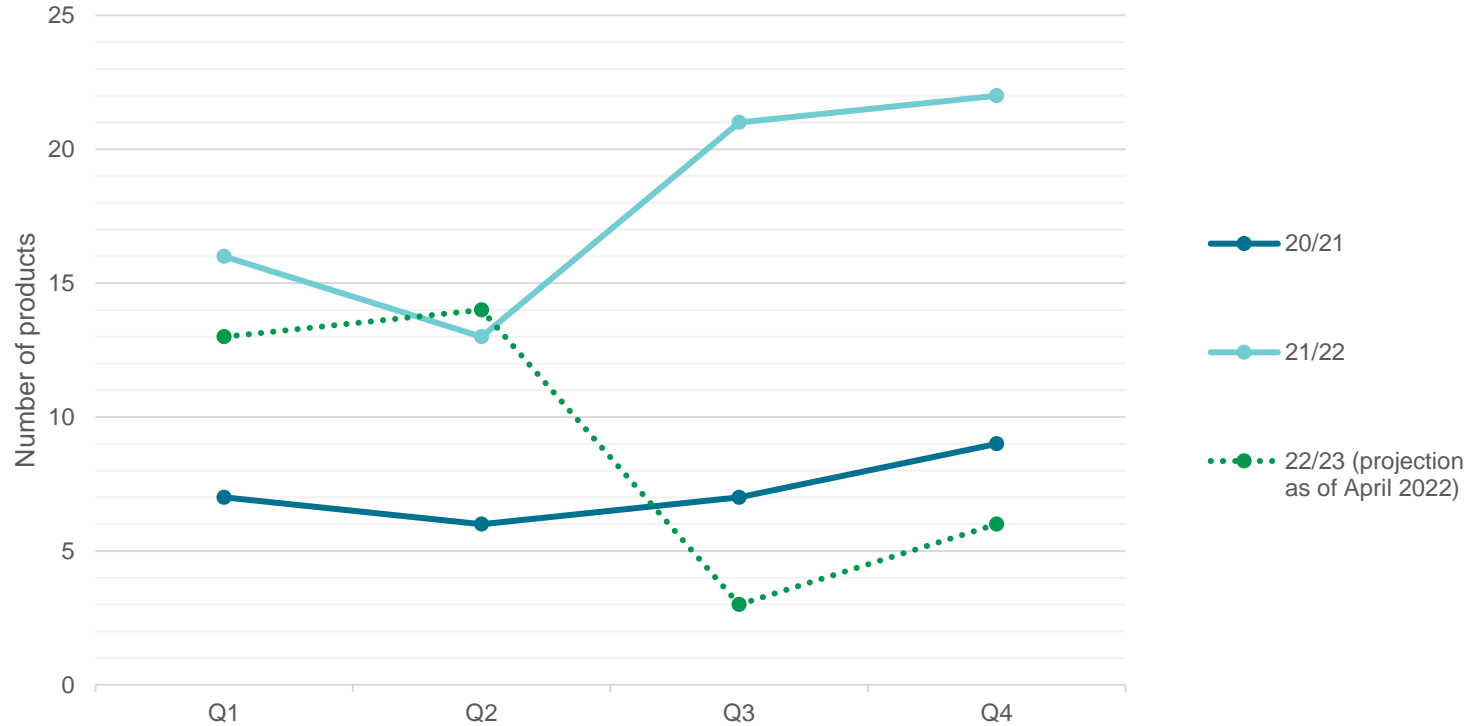
AUDITOR GENERAL 

ACCOUNTS COMMISSION 

- We delivered 19 audit products between March and May and there are a further 14 products planned between June and December, with a further three proposed products to be added to the programme as well as statutory reports to be confirmed.
- The graph on slide four shows how audit product delivery has changed between 2020/21 and 2021/22 and is forecasted to change into 2022/23. There is a noticeable decrease in products planned during Q3 this year and this reflects the increased pace of delivery during 2021/22.
- We welcome this breathing space in the programme and will consider how both the AGS and Commission can use this time to engage with their stakeholders and get messages out on key areas, potentially drawing on their back catalogue of audit work. We will need to be careful about the timing of products into Q4 2022/23 and Q1 2023/24 to ensure we don't have another peak period that puts too much pressure on colleagues as well as on the AGS and Commission members.
- We continue to ensure we allocate colleagues to R&D to inform the future work programme. Slides 11-23 outline how we are continuing to develop the longer-term work programme proposals across the portfolios.
- Where we have outlined thinking on future audit work into 2023 and beyond, we would welcome AGS and Commission feedback on the relative priorities to help us make strategic recommendations about the spacing and sequencing of products, as well as decisions about where to focus resources.

Audit products per quarter since April 2020

Audit product delivery per quarter since April 2020



What guides our planning and delivery...

Providing assurance and driving improvement

We will use our unique local and national perspective to provide assurance about how Scotland's public services are responding to Covid-19. We will aim to provide insight and learning, and drive improvement, innovation and transformational change as Scotland moves towards recovery and renewal.

Taking a person-centred approach

Where possible and appropriate, we will capture the needs and concerns of the people who use public services through our audit work.

Integrating cross cutting issues

We will integrate thinking on issues that cut across policy areas and have an impact on citizens and service users throughout our audit work. For example: prevention, digital, inequality and human rights, climate change, community engagement

Taking a risk-based and proportionate approach

We recognise the potential impact of audit work on people working in public services who are still responding to Covid-19. We will ensure our audit response is proportionate and risk-based, and that audited bodies have clear advance notice of any planned work.

Being flexible and agile

We will adapt our work programme as new issues emerge or risks change. We will use a range of approaches to report our audit work.

What we've delivered: March to May

Best Value Assurance Reports

Moray Council: Progress report

Performance audits

New ferries for the Clyde and Hebrides

Social Security: Progress on implementing the devolved benefits

Key:

Auditor General for Scotland

Accounts Commission

Joint – Auditor General and Accounts Commission

Audit Scotland

Joint – Accounts Commission and Audit Scotland

Overview reports

Financial overview of local government 2020/21

Local government in Scotland Overview 2022 (including separate blog from Commission Chair)

Briefings

Scotland's economy: Supporting businesses through the Covid-19 pandemic

Statutory reports

Orkney & Shetland Valuation Joint Board

South Lanarkshire College

Other audit products

Addressing climate change in Scotland (report)

Drug and alcohol services: An update (briefing)

Annual Assurance and Risks Report (internal report)

Update on the Scottish Government's R100 programme (update report)

Mainstreaming equality and equality outcomes: Interim progress report (internal report)

The learner journey from school to work (eHub)

Working together to increase collaboration and accelerate improvement (blog)

Children and young people who need additional support for learning (blog)

National Fraud Initiative: Pilot evaluation on National Entitlement Cards (pilot report)

What's coming up: June to December*

Performance audits	Briefings	Other audit products
Reviewing Scotland's financial response to the Covid-19 pandemic (June)	Climate Change: Local government targets and plans (September)	National Fraud Initiative: Pilot evaluation on Non-domestic rates (June)
	Scotland's colleges 2022 (July)	Inequalities and human rights blog (June)
Best Value Assurance Reports	Statutory reports	Financial analysis of IJBs 2020/21 (June)
Angus Council (July)	Scottish Government consolidated accounts (December)	Annual fraud and irregularity report (July)
Shetland Council (August)	AGS will consider preparing other S22 reports on bodies that fall under his audit powers	National Fraud Initiative in Scotland (August)
Comhairle nan Eilean Siar (September)	Controller of Audit may decide to bring to the Commission's attention any significant issues from the auditing of the accounts of local government bodies through s102 reports. The Commission can also require the Controller to report on this basis.	Data gaps roundtable (August) and follow up product (September)
		Child poverty briefing (September)
		Resourcing the benefit service: Thematic study (October)
		Financial sustainability and implications for the fiscal framework (Q3 TBC)
		Investing in green skills (Q3 TBC)

Key:

Auditor General for Scotland

Accounts Commission

Joint – Auditor General and Accounts Commission

Audit Scotland

*Months in brackets in tables are proposed publication months

Summary of proposed changes to programme

Change	Detail
Delaying	National Fraud Initiative in Scotland (AS): We are proposing to delay publication of the next National Fraud Initiative in Scotland report from July to August. This is due to delays receiving the required information from local audit teams and the Cabinet Office. The AGS will consider this at the end of July and the Commission will consider it at its August meeting (Ref: Slide 7)
	Climate Change: Local government targets and plans (Commission): We are still planning to bring this product to the August Commission meeting as planned, but we are pushing back publication until early September due to availability in the publications schedule. (Ref: Slide 7)
Re-framing	Data governance and data ethics roundtable (AS) – We are proposing to reframe this planned roundtable in late summer 2022 to explore the issue of data gaps in the public sector in more detail and move the planned data governance and ethics roundtable into 2023.
	We know that good quality data is key for strategic decision making, transforming services, and innovation. Our recent reports and briefings, and evidence sessions at the Scottish Parliament, have highlighted the variety of data gaps that exist across the public sector and the issues this causes.
	We feel Audit Scotland has a role to play in highlighting the importance of good data, particularly in the context of decision making, service redesign and transformation. We can add value to current commentary by exploring the causes, helping identify improvements and break down barriers, and suggest actions for public sector bodies. We have had discussions with the Office for Statistics Regulation about how we could add value in this area.
	We propose our roundtable is followed up by a product in autumn 2022, which we could align timing wise with the publication of the Scottish Government's health and care data strategy. (Ref: Slide 7)

Summary of proposed changes to programme

Change	Detail
Adding	<p>Counter fraud reports (AS): We have added our routine counter fraud work that supports the work programme's governance and accountability theme. This includes the annual report on fraud and irregularity due to publish in July, which includes risks and case studies to support the Scottish public sector to prevent fraud. It also includes two National Fraud Initiative pilot reports. These pilot evaluation reports summarise outcomes and learning from recent pilot studies which looked at the potential for expanding the NFI in respect of National Entitlement Card and Small Business Bonus Scheme data. Both the pilot evaluations will also be summarised in the full National Fraud Initiative report will publish in August. (Ref: Slides 6 and 7)</p> <p>Inequalities and inclusion (AC): At its May meeting the Commission approved a promotion plan for the local government overview report. As part of this we are working with members to develop blog/vlog posts to provide more detailed insight and analysis on specific aspects or themes from the report. We have confirmed the first of these will be a blog on inequalities and inclusion and it is due to publish in June 2022. (Ref: Slide 7)</p>

Summary of proposed changes to programme

Change	Detail
Adding	<p>Financial sustainability and implications for the fiscal framework (AGS): A central theme, both from recent audit outputs, and expected within the Medium Term Financial Strategy (MTFS) and Resource Spending Review Framework, is financial sustainability. We have previously set out fiscal risks in our Operation of the Fiscal Framework series. We are proposing a new product that brings together outturn data, information from Covid-19 trackers and associated MTFS documents that will provide an updated position on how the fiscal framework risks are materialising and what this means for financial sustainability and budgets. We will aim to deliver this in Q3 2022/23. (Ref: Slide 7)</p>
	<p>Investing in green skills (AGS): We are developing proposals for an output on the Scottish Government's ambitions and funding for green skills and aim to deliver this during Q3 2022/23. (Ref: Slide 7)</p>

In the pipeline from January 2023 to March 2024

Economic recovery and growth

Area of focus	Latest plans
Infrastructure and investment	<p>We will undertake audit work looking at the establishment of the new operating arrangements as ScotRail services move into Scottish Government ownership. We plan to report on this through the Transport Scotland annual audit report in early Q4 2022/23. We are also monitoring wider transport developments and will consider further work on transport in future, including ferries.</p> <p>Longer term, we are considering audit work on strategic capital investment, which will look at how the Infrastructure Investment Plan (IIP) is being delivered in practice. During 2022 we will undertake research and development to scope audit work in this area, which will include reviewing progress against the recommendations in our January 2020 audit on privately financed infrastructure investment and reviewing the Scottish Government's major capital projects and IIP updates alongside its Medium Term Financial Strategy and climate change plans. As part of scoping, we will focus on the IIP's strategic themes of transition to net zero, and driving inclusive economic growth.</p>
Supporting jobs, business and enterprise	<p>We are undertaking background work to scope a potential future audit on Scotland's economy. This will include exploring the Scottish Government's new 10-year strategy and the actions it has set out to transform the economy, create opportunities and address inequalities. We will bring back proposals for products later in 2022.</p> <p>We have allocated resource over summer 2022 to review developments affecting City Region and Growth Deals. We will consider how best to report these and progress against the recommendations in our 2020 report. We are keeping under review schemes designed to replace the EU Structural, Social and Agricultural Funds.</p>

In the pipeline from January 2023 to March 2024

Economic recovery and growth

Area of focus	Latest plans
Public finances	<p>We will continue to monitor the overall position of devolved public finances, including the fiscal framework review and risks to financial sustainability. During 2022/23 we will deliver our usual annual commitments including the internal budget briefings for the AGS and Commission, as well as the Administration of Scottish Income Tax 2021/22 report on behalf of the AGS. We will continue to engage with the NAO about audit assurance on UK-led spending in Scotland around shared prosperity and levelling up.</p>
Skills and training	<p>We are monitoring the impact of the performance audit report on Planning for skills, which was published on 20 January 2022 and was considered by the Public Audit Committee (PAC) on 10 February 2022. The Minister for FE, HE, Youth Employment and Training welcomed the report and accepted all of the recommendations. We will support the PAC in any further scrutiny of the report and will monitor progress against the recommendations as part of the annual audits of SDS and the SFC. We are also considering skills through our wider cross-cutting work on climate change and digital. We are currently developing proposals for potential future work in this area.</p>

In the pipeline from January 2023 to March 2024

Policy priorities and commitments

Area of focus	Latest plans
Climate change	In June we will discuss with the AGS the potential scope of a performance audit on Scottish Government arrangements for delivering its climate change plan, leadership and progress to date, for publication in Q4 2022/23. We are also considering the added value of developing a data tool to improve transparency and scrutiny of progress on climate change, and the potential scope and timing of this work. We may develop this as an internal tool initially, to support local auditors in considering climate change in annual audit work. As well as work to integrate climate change into the annual audits and performance audit work, we are developing a longer-term programme of climate change focused work, which we will discuss with the AGS and AC in autumn 2022.
Early learning and childcare	The next joint performance audit in this series will look at whether the expansion in funded early learning and childcare was delivered as planned, how much it cost and the planning to evaluate the impact of the expansion. We plan to report in Q1 2023/24. In the longer term we will look at the impact of the expansion and focus on assessing whether the investment has delivered improved outcomes, is helping to reduce the poverty-related attainment gap and has made a difference in supporting parents and carers to work, train or study.
Court backlogs	Responding to the backlog will require careful coordination, as any increase in the capacity and throughput of the courts is likely to have implications for other parts of the justice system, including prisons and community justice. We are currently pre-scoping options for an audit on court backlogs and its implications, including data analysis and initial conversations with key stakeholders. We are speaking to the AGS about the potential scope in early July 2022 and aim to publish the audit during Q1 2023/24.

In the pipeline from January 2023 to March 2024

Policy priorities and commitments

Area of focus	Latest plans
Social care	<p>Following publication of the social care briefing in January 2022, we are planning to deliver a series of themed joint performance audits on social care starting this year. We will bring proposals on thematic work focused on action taken to address the critical issues in delivery of social care services highlighted in the briefing. For example: workforce capacity, service quality and outcomes. We will need to be flexible on the timing for this and it is likely it won't start until Q2 of 2022/23.</p>
Health and social care integration	<p>We will start our next and third joint health and social care performance audit in early 2023. We will scope this in conjunction with the Commission and the AGS, but suggest using it to inform the development of the National Care Service and related reforms, looking at what has worked well and what has not worked so well, and showcasing good practice. We could also look at current performance and the outcomes being achieved (or not) to set a baseline against which we could monitor performance in the future following the reforms that are due to take place in 2026.</p>
National Care Service	<p>We are developing a programme of audit work that will run alongside the development and rollout of the new NCS, focusing on Scottish Government's planning and preparations. This will reflect the likely impact of the NCS on IJBs and the quality of services they provide, as well as monitoring and reporting on the risks and challenges created by the NCS. Our audit work will provide a vehicle through which any issues arising from the Scottish Government's failure to meet the planned 2026 deadline can be publicly reported. We anticipate scoping the first product in this programme during 2023/24.</p>

In the pipeline from January 2023 to March 2024

Policy priorities and commitments

Area of focus	Latest plans
Drug and alcohol services	Given the Auditor General and Accounts Commission's ongoing interest in how drug and alcohol services are being delivered and the impact this has on people and their families needing support, we plan to carry out a joint performance audit in this areas in the next 12-18 months. This will include detailed analysis of spending and explore what is being delivered in local areas by Alcohol and Drug Partnerships and other partners such as integration authorities and community planning partnerships.
Community justice: Sustainable alternatives to custody	The AGS briefing paper on this topic from July 2021 highlighted that the Scottish Government had not achieved its aim to shift the balance of sentencing from prison to the community. During 2022 we will continue to monitor this area and plan to deliver a joint performance audit in 2023. This will include the roles and work of other key stakeholders, including local government and the third sector. Our audit work will follow planned joint inspection work on community justice services by other scrutiny bodies as well as our planned work on court backlogs, which have implications for community justice services.

In the pipeline from January 2023 to March 2024

Area of focus	Latest plans
Community empowerment	<p>We are working with teams across the clusters to build community empowerment into wider audit work. This will help inform longer-term work and a potential performance audit covering the following areas:</p> <ul style="list-style-type: none">• Capacity and skills - capacity within councils and partner bodies for community empowerment and Community Learning and Development (funding, staff, skills, focus and priority).• Governance and accountability - how communities hold public bodies to account, governance for communities responsible for budgets or assets.• Improved outcomes - how local outcome improvement plans (LOIPs) and locality planning are supporting improved National Performance Framework (NPF) outcomes.• Impact - case study work on what difference the Community Empowerment Act and other activities are having on the ground in communities.
School education	<p>We are continuing to monitor progress against the recommendations in the 2021 joint report on Improving outcomes through school education through ongoing cluster monitoring and stakeholder engagement.</p>

In the pipeline from January 2023 to March 2024

Inequalities and human rights

Area of focus	Latest plans
Mental health	<p>We have scoped our joint performance audit on adult mental health services and are in the process of agreeing this with AGS and the Commission, with the intention to report during Q4 2022/23.</p> <p>We will seek to incorporate the views of people with lived experience of mental health issues and accessing mental healthcare as part of our audit work. We will do this with the help of third sector organisations such as the Scottish Association for Mental Health and the Health and Social Care Alliance Scotland.</p>
Digital exclusion and connectivity	<p>We are planning to publish a joint performance audit in 2023/24 on how the public sector is addressing digital exclusion and connectivity. We will start scoping it this summer. We will consider how we can engage with citizens as part of this audit during scoping. We will also continue to look at digital exclusion through other audit work, such as overviews and our community empowerment work.</p>
Child poverty	<p>The September 2022 joint briefing will look at the progress made in achieving the targets in the Child Poverty Act. This includes looking at new plans and actions the Scottish Government is putting in place with local government and their partners to mitigate the new risks in this area created by Covid-19. We are considering links with wider policy areas such as social security. After the briefing is published, we will develop options for a full performance audit. Future audit work relating to services for children and young people will also consider links with child poverty.</p>

In the pipeline from January 2023 to March 2024

Inequalities and human rights

Area of focus	Latest plans
Children and young people with additional support needs	We have allocated resource to research and development during summer 2022 to consider options for a full performance audit in this area. We are exploring the potential to look at the learner journey from pre-school to post-school for children and young people who need additional support. This would allow us to look at transition points. Stakeholders have been supportive of this approach. Education Scotland is planning thematic work on ASN and we will continue to engage with them about the potential for joint work and to ensure the timescales for our work maximise its value.
Care experienced children and young people	We are monitoring how public bodies have responded to the Independent Care Review to improve outcomes and how they are addressing the impact of Covid-19, and we are considering the potential value of carrying out audit work on the response and impact.
Social security	We will monitor the impact of the performance audit published in May 2022 and continue to monitor the transfer of social security powers to Scotland. We will consider how this informs other audit areas, such as child poverty and inequalities, and whether we should produce any further outputs in this area.

In the pipeline from January 2023 to March 2024

Innovation and transformation

Area of focus	Latest plans
Local government overview reporting and auditing local services (AC)	<p>We are monitoring the impact of the 2020/21 local government overview reports published in March and May 2022 and will monitor the impact of the financial analysis of IJBs due in June 2022.</p> <p>We have agreed to provide the Commission with options for how they take forward local government overview reporting later this year, which would come into effect from 2024 onwards. One option is to deliver a biennial local government overview with performance audits on local services in intervening years.</p> <p>In the meantime we will produce a local government overview of the 2021/22 annual accounts in Q1 2023/24. This will focus on Covid recovery into renewal. Working with sponsors we have proposed delivering a local government financial bulletin in December 2022 rather than a financial local government overview in early 2023. This will be discussed at the June Commission meeting.</p>

In the pipeline from January 2023 to March 2024

Area of focus	Latest plans
NHS reporting (AGS)	<p>Traditionally, the AGS has produced an annual overview report on the NHS in Scotland. These reports have provided a high-level summary of service and financial performance in the NHS, as well as highlighting key issues affecting NHS services. Our NHS in Scotland 2020 and 2021 reports focussed on the response to, and recovery from, the Covid-19 pandemic. The NHS in Scotland 2021 report also stated the need for the NHS to reform so that service delivery could be more sustainable.</p> <p>With the way health and care services are delivered expected to change, it is important that we adapt our audit approach. Rather than a wide-ranging and high-level overview, we plan to have more impact by carrying out more detailed assessments of specific programmes of work. In 2022 we propose to move from the traditional format of a general overview report and to focus instead on the Scottish Government's NHS Recovery Plan. This audit will facilitate a deep dive into the Recovery Plan to assess its progress and future deliverability. In future years we would propose to produce similar detailed annual outputs focussing on different priority themes.</p>

In the pipeline from January 2023 to March 2024

Innovation and transformation

Area of focus	Latest plans
Best Value assurance reporting (AC)	<p>From 2022/23 BV work in councils will be fully integrated with the annual audit and reported in Annual Audit Reports (AARs), including risk-based, follow up and thematic BV work. AARs for each council will be reviewed by the Commission at least once over the five-year audit appointment to provide the Commission with assurance on BV in each individual council.</p> <p>The Commission will use the Annual Assurance and Risks Report (AARR) to identify thematic work for coverage by all auditors in the following year's audit. The next AARR will draw on the 2021/22 AARs and is due in March 2023. The first AAR under the new audit appointments and BV approach will be available in Q3 2023/24.</p> <p>In Q2 of 2023/24 we plan to deliver a legacy thematic summary of BV best practice examples covering the last six years of BV reporting.</p> <p>Although the Commission has agreed not to proceed with the proposed rollout of BV in IJBs, we will continue to provide robust, independent oversight and public reporting at both national and local level on the current performance of IJBs. This will be through ongoing annual audit work in IJBs and related audit reporting until the point at which the NCS becomes operational and IJBs become Community Health and Social Care Boards (CHSCBs).</p>
Policing (AGS)	<p>The AGS is interested in Best Value work on policing during the next audit appointment round. We have allocated resources to R&D work on policing over summer 2022 to inform the potential scope and ²⁰ approach to this work.</p>

In the pipeline from January 2023 to March 2024

Innovation and transformation

Area of focus	Latest plans
Digital transformation	<p>Our research and development activity in this area has concluded that cyber security will continue to be a critical area for government. The governance and accountability arrangements and management structures at a national level are complex and changing. We need to understand and review these to identify any potential gaps in scrutiny and any potential issues. We are considering proposing specific audit work during 2023/24 on cyber security governance and accountability arrangements.</p> <p>We have also recognised the important implications the Scottish Government's Artificial Intelligence strategy has for public bodies. We need to better understand how AI is being used across the public sector and its implications. In the future we may also need to use such techniques to audit or be able to audit and interrogate areas where it has been used. We have proposed moving the planned data ethics and governance roundtable from summer 2022 to summer of 2023 and reframing this year's roundtable to explore the issue of data gaps across the public sector. Addressing data gaps and quality is essential if public sector bodies intend to use AI more. The 2023 session will explore the use of AI in the public sector and the related ethical considerations and governance arrangements. This may lead to future audit work on innovation and AI.</p>

In the pipeline from January 2023 to March 2024

Governance and accountability

Area of focus	Latest plans
Following the pandemic pound (Joint)	In 2022/23 we anticipate moving into the recovery phase of our approach to following the pandemic pound, which will assess the wider impact on public finances of recovery from a pandemic. We will review the impact of our performance audit on reviewing Scotland's financial response to the Covid-19 pandemic and propose how best to follow up, looking at changing budget headings and spending considerations as well as financial management and sustainability.

In the pipeline from January 23 to March 24: Summary of agreed products

Product	Type	Author	Quarter
Local government finances 2021/22	TBC	Accounts Commission	Q4 22/23
Scottish Government climate change plan: Delivery arrangements	TBC	AGS	Q4 22/23
Adult mental health	Performance audit	Joint – AGS and Commission	Q4 22/23
Administration of Scottish Income Tax 2021/22	Report	AGS	Q4 22/23
NHS in Scotland 2022: Scottish Government's NHS Recovery Plan	Overview	AGS	Q4 22/23
AGS budget briefing	Internal report	AGS	Q4 22/23
Local government budget briefing	Internal report	Accounts Commission	Q4 22/23
Annual Assurance and Risks Report	Internal report	Accounts Commission	Q4 22/23
Court backlogs	Performance audit	AGS	Q1 23/24
Digital exclusion and connectivity	Performance audit	Joint – AGS and Commission	Q1 23/24
Early learning and childcare (follow up)	Performance audit	Joint – AGS and Commission	Q1 23/24
Challenges and performance LGO 2023	Overview	Accounts Commission	Q1 23/24

In the pipeline from January 23 to March 24: Summary of agreed products

Product	Type	Author	Quarter
Legacy thematic summary of BV best practice	TBC	Accounts Commission	Q2 23/24
Data governance/ethics	Roundtable	Audit Scotland	Q2 23/24
Administration of Scottish Income Tax 2022/23	Report	AGS	Q4 23/24
Local government finances 2022/23	TBC	Accounts Commission	Q4 23/24
AGS budget briefing	Internal report	AGS	Q4 23/24
Local government budget briefing	Internal report	Accounts Commission	Q4 23/24
NHS in Scotland 2023: Focus TBC	Overview	AGS	Q4 23/24
Annual Assurance and Risks Report	Internal report	Accounts Commission	Q4 23/24
Social care	Performance audit	Joint – AGS and Commission	TBC
Sustainable alternatives to custody	Performance audit	Joint – AGS and Commission	TBC
Health and Social Care Integration	Performance audit	Joint – AGS and Commission	TBC
Drug and alcohol services	Performance audit	Joint – AGS and Commission	TBC

Impact monitoring, evaluation and reporting

Review of approach and proposals for
the future – June 2022

- **Purpose:**

- Improve our understanding of the **difference we make through public audit**

- **Objectives:**

- Clarify what impact we are trying to have across all our audit work
- Outline the types of impact we have and the key sources of our impact
- Review our existing approaches to monitoring, evaluating and reporting the impact of our work
- Develop proposals with options on how to take this forward in a holistic way that covers all the audit work Audit Scotland delivers on behalf of the Auditor General and Accounts Commission

Proposed principles to drive our approach

- There is a shared understanding and agreement about the impact we want our audit work to have.
- We take a holistic approach to impact monitoring, evaluation and reporting that is open, transparent and consistent, and covers all our audit work while being flexible enough to meet specific business group needs.
- We take a proportionate approach to impact monitoring, evaluation and reporting depending on the audit product and our intended impact.
- We will place equal value on quantitative and qualitative measures when monitoring, evaluating and reporting on our impact.
- We recognise the connection between the quality and impact of our work and take an integrated approach to these areas.

Our impact: Proposed framework

		What	How	Who*
Existing	Immediate impact Basic monitoring (0-6 months)	<ul style="list-style-type: none"> • Have our recommendations been accepted? • What traction are our products getting? • Who are we reaching? 	Product by product reach and engagement: Media Social media Web Conferences Committees	Audit teams Comms
	Extended impact Basic evaluation (6 months up to 5 years)	<ul style="list-style-type: none"> • What's happening with our recommendations? • How is our work influencing change? • What do stakeholders think of us? 	Product by product recommendations tracking: Progress Effectiveness Reflections Stakeholder feedback	Audit teams AQA Comms External perspective
Proposed	Long-term impact Wider evaluation (3 years+)	<ul style="list-style-type: none"> • What difference have we made through public audit? 	Package of products: Track impact of our products on agreed impact goals	Audit teams External perspective

*Responsibility for collecting, analysing and reporting impact data

In scope

- Considering how to define the impact of audit work and how impact is achieved.
- Reviewing existing approaches to monitoring and evaluating impact across the organisation.
- Developing proposals with different options for a more holistic approach to monitoring and evaluating impact, including both the impact of audit work and basic stakeholder awareness and perceptions of the parties involved in public audit in Scotland.

Out of scope (initially)

- The wider evaluation approach – connected to the refresh of Public Audit in Scotland.
- Questions about how to enhance impact.
- In depth work on the effectiveness or brand recognition of the parties involved in public audit in Scotland.

- We looked at a range of strategic drivers that set out what we are trying to have an impact on:
 - Code of audit practice 2021 – in particular the wider scope audit dimensions
 - Accounts Commission strategy 2021-2026
 - Auditor General's key areas of focus for future audit work
- We noted clear consistency across the Code's wider scope dimensions, Accounts Commission aims and AGS' areas of focus.

- As part of the refresh of Public Audit in Scotland we can look across these sources to propose and agree the collective impact we are trying to have. For example:
 - There is more openness and transparency around public spending, with ongoing strategic review, clear accountability and effective reporting (**financial management and governance**)
 - Public spending plans are more sustainable over the long-term (**financial sustainability**)
 - Public bodies are more effective at setting clear priorities and work more collaboratively with each other to drive continuous improvement and innovation (**vision and leadership**)
 - Public bodies are more effective at targeting resources to improve service delivery and deliver better outcomes for people and communities in Scotland (**use of resources to improve outcomes**)

What we want to know and sources of impact

Type of impact	What we want to know	Sources of impact
<p>Immediate impact</p> <p>0 - 6 months</p>	<ul style="list-style-type: none"> • Have recommendations been accepted? • Has there been any immediate action taken to address issues? • How are central and local government, parliament and other organisations responding? • What traction are our products getting? • Who is our work reaching? • What has been the reaction in both the mainstream and social media? • Have we shared our findings at conferences, parliamentary committees, council committees? 	<ul style="list-style-type: none"> • Blogs • Roundtables • Summary / update reports • Briefings • Statutory reports • Annual audit reports • Performance audits and overview reports • Best Value Assurance Reports • Time spent promoting, discussing and advising on the above
<p>Extended impact</p> <p>6 months up to 5 years</p>	<ul style="list-style-type: none"> • What has happened as a result of our work? • Do plans and strategies reference our work? • Have recommendations been implemented? • What do stakeholders think of us and our work? 	<ul style="list-style-type: none"> • Briefings (when recommendations included) • Statutory reports • Annual audit reports • Performance audits and overview reports • Best Value Assurance Reports • Time spent promoting, discussing and advising on the above • Time spent contributing to external groups

Immediate impact:

Proposed measures and reporting plans

Key measures (Basic monitoring 0 - 12 months)	Reporting*
<p>Recommendations tracking (new)</p> <ul style="list-style-type: none">Percentage of recommendations that have been accepted (full/partial breakdown) <p>Media and parliamentary monitoring (in place)</p> <ul style="list-style-type: none">Amount of coverage (broadcast and print)Number of downloads (web)Amount of social media engagementAmount of parliamentary engagementAttendance at conferences	<p>Reporting in place</p> <ul style="list-style-type: none">Immediate impact emails to AGS / Commission sponsors / audit teams for one month after publication:<ul style="list-style-type: none">Rounding up coverage (print cuts / broadcast / social media / online / web)Secretary's report at Commission meetings (monthly)Web stats (monthly)Social media stats (monthly)Parliamentary engagement stats (monthly)Corporate performance report to Audit Scotland MT and Board (quarterly) <p>Options for further reporting</p> <ul style="list-style-type: none">Reports on progress with recommendations (annual) <p>*Recognise much of this is already in place. Work in progress with communications team to clarify content, audiences and frequency of reporting.</p>

Extended impact:

Proposed measures and reporting plans

Key measures – Internal evaluation (Basic evaluation 6 months - 5 years)

Reporting

Description of change resulting from our work (in place)

- Changes influenced by our work
- Plans and strategies that reference our work
- Improvements in public bodies resulting from our work (advice / sharing good practice)

Recommendations tracking (new)

- Percentage of recommendations that are work in progress
- Percentage of recommendations that have been implemented
- Progress with recommendations
- Reflections on effectiveness of recommendations

Reporting in place

- Follow up audit work or audits with several parts
- Transparency report (annual)
- Corporate performance report to Audit Scotland MT and Board (quarterly)

Options for further reporting

- Impact blogs
- Reports on progress with recommendations (annual)
- Extending transparency report to incorporate recommendations tracking and further case studies / stories of impact (annual)

Extended impact:

Proposed measures and reporting plans

Key measures – External evaluation (Basic evaluation 6 months - 5 years)

Stakeholder perceptions of (in place):

- Annual audit overall
- Audit team
- Audit report
- Impact of specific types of reports

Stakeholder feedback on effectiveness of recommendations and influence of key messages (new)

Stakeholder awareness and perceptions of the three parties involved in public audit in Scotland (new)

Reporting

Reporting in place

- Quality of Public Audit in Scotland (QPAS) (annual)
- MSP survey (annual)

Options for further data collection and reporting

- Impact blogs
- Enhanced QPAS report incorporating more qualitative stakeholder feedback
- Specific stakeholder feedback reports (Parliament / audited bodies / third sector / citizens and service users)
- Opportunity to join up data collection and reporting methods across stakeholder feedback on effectiveness / influence / awareness / perceptions (for example opinion surveys)

Resource implications:

Early thinking

	Internal resource	External resource	Potential resource implications (TBC)
Basic monitoring	<ul style="list-style-type: none"> Resource from communications team and audit teams in place Project support resource in place 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None
Basic evaluation	<ul style="list-style-type: none"> Some resource from audit teams already in place but will need to be extended – further scoping required Project management and support resource – further scoping required 	<ul style="list-style-type: none"> AQA stakeholder survey in place and can be extended Additional external resource required for qualitative feedback 	<ul style="list-style-type: none"> Within audit teams / PABV business management team / comms team Annual cost of extending AQA survey and external support for further basic evaluation support
Wider evaluation*	<ul style="list-style-type: none"> Will require internal management to design evaluation, procure support and contract manage delivery. 	<ul style="list-style-type: none"> Anticipate procuring external support to deliver the wider evaluation. 	<ul style="list-style-type: none"> Every three years cost of external support for wider evaluation Within PABV business management team

*Although out of scope at this stage, we have outlined early thinking.

- Seek feedback on proposals: AGS, Accounts Commission, Internal colleagues, Scottish Government – June - August
- Finalise proposals based on feedback, including considering connections to Commission’s emerging communications and engagement strategy and Audit Scotland communications and engagement strategy 2020-23 – Late summer
- Design and implement basic monitoring and evaluation frameworks, including first round of reporting – Before end of 2022
- Start work on long-term impact and evaluation proposals:
 - Connect strategic context reflections with refresh of Public Audit in Scotland.
 - Aim for collective agreement of what we are trying to impact on across Public Audit in Scotland, new Audit Scotland corporate plan and any refresh to Commission’s strategy.
 - Later in 2022

MEETING: 9 JUNE 2022**REPORT BY: SECRETARY TO THE COMMISSION****COMMISSION MEETING ARRANGEMENTS 2023**

Purpose

1. The purpose of this report is to propose meeting arrangements for the Commission for 2023.

Background

2. The Commission has in its Strategy a commitment to continuously improve how it does its business and to consider how it can manage better its business. It is customary in June of each year for the Commission to agree its meeting arrangements for the subsequent calendar year.
3. At its meeting in June 2020, the Commission agreed a way forward for planning Commission business and considering its strategy in the light of the pandemic. This has been adapted in the period since then, so that currently the features of meeting arrangements include:
 - Meeting by video conference, in the offices of Audit Scotland and via public livestream, with a pre-meeting on the day of the formal monthly meeting.
 - Meeting virtually for the quarterly committee meetings.
 - Considering other business at a private informal member meeting at the conclusion of the monthly Commission meeting. Such business includes the Commission Change Programme.
 - Livestreaming formal Commission meetings (since late 2020 such meetings were recorded and made publicly available).

Commission business

4. This paper reflects a working assumption that the Commission will continue to wish to operate on the basis of the principles in paragraph 3, principally meeting monthly.

Commission meeting arrangements

5. The main features of the proposal are:
 - Commission members are asked to commit to one Commission meeting per month, along with a meeting of committees quarterly.
 - These slots will be used for a combination of:
 - Formal meetings of the Commission.
 - Commission member forum (see under 'member forum' below)
 - For meetings of the Commission and its committees, the following assumptions are made:

- On business days, all Commission business will start at 9.30am and finish at 4pm at the latest, with suitable breaks included to ensure around six hours being devoted to Commission business.
 - Quarterly committees both meet on the same day with meetings lasting for 90 to 105 minutes, with normally the Financial Audit and Assurance Committee meeting at 9.15am and the Performance Audit Committee starting at 11.15am. There is also the option of joint meetings of the committees if worthy for certain business.
- Commission pre-meetings will take place – lasting 15 minutes – before the formal meeting commences.
 - We will continue to use July as a ‘recess’ month. This recognises the benefits of the Commission having some ‘downtime’ in the summer months and also of most Audit Scotland colleagues taking annual holidays during July (and thus reflecting, for example, school holidays).
 - Two strategy seminar slots are included – the first is an overnight event in the Spring and the second ‘mid-year’ event in an afternoon in Autumn (see below).
 - In recent years we have used one committee meeting slot to meet in Audit Scotland’s Glasgow office. It is proposed to commit to continuing this practice, depending on the arrangements in place in response to Covid-19.

6. **Appendix 1** proposes a schedule of meetings for 2023. The schedule is explained under ‘strategic planning’ below.

Strategic planning

7. The Commission most recently in 2019 refined its approach to planning its business throughout the year. Most notably, it has agreed to retain two strategy events in the year, in Spring and Autumn.
8. The Spring event is longstanding and is customarily an overnight event to review progress in the past year and agree broad themes for an annual refresh of the Commission strategy. The Autumn event has been used variously for progress reporting and for more ‘internal’ facing matters such as Commission development.
9. The introduction last year of the dynamic work programme, which the Commission agreed for the first time in May, allows scope for revisiting the purposes of the strategy seminars. It is therefore proposed that the main purpose of the Spring event – to review progress as a Commission and to find some ‘space’ to think about its strategic messages – be retained. Outputs from the event will feed directly into the work programme update in subsequent months, but also allow the Commission to publish its strategy if it chooses to do so annually (the current approach is two-yearly). With work programme updates taking place quarterly, it allows the Commission to make more flexible use of the Autumn seminar, for example to focus more on ‘internal’ facing matters, as was originally intended.
10. How this looks in an overall meeting schedule and planning cycle for the Commission is set out in **Appendix 2**. To make best fit with the approach to dynamic work programme, and accommodating a role for the Commission’s committees in the work programme as well as for the Commission itself, it is proposed that the schedule for meetings of the committees is slightly revised, as follows:

Current	February	May	August	November
Proposed	January	April	August	November

Commission member forum

11. Commission members have made use of the private member forums for different purposes, notably in liaising with external stakeholders (formerly in the form of a Commission 'insight programme'. It is proposed that this approach be retained, albeit with the important addition of regularly monitoring progress of the Commission Change Programme. To this end, members' views are sought on areas to be covered in our forum meeting schedule.

Conclusion

12. The Commission is invited to consider:

- a) The proposed schedule and arrangements for meetings of the Commission and its committees in 2023.
- b) Specifically, any areas of interest for member forum meetings.

Paul Reilly
Secretary to the Accounts Commission
1 June 2022

ACCOUNTS COMMISSION**MEETING SCHEDULE 2023**

12 January	Accounts Commission
26 January	Committees
9 February	Accounts Commission
9 March	Accounts Commission
21/22 March (Tue/Wed)	Spring Strategy Seminar
13 April	Accounts Commission
27 April	Committees
11 May	Accounts Commission
8 or 15 June	Accounts Commission
10 August	Accounts Commission
24 August	Committees
13 September (Wed)	Autumn Strategy Seminar
14 September	Accounts Commission
12 October	Accounts Commission
9 November	Accounts Commission
23 November	Committees
14 December	Accounts Commission

Key:

All Thursdays except where notified

Notable dates:

- Easter Sunday: 9 April
- Easter school holidays: Edinburgh/Glasgow/Highland 3 – 14 April
- Summer school holidays: Edinburgh 28 June - 16 August; Glasgow 23 June – 14 August; Highland 30 June – 15 August
- October school holidays: Highland 9 – 23 October; Edinburgh & Glasgow 16 – 20 October

PROPOSED COMMISSION ANNUAL PLANNING AND REPORTING CYCLE

	Commission meeting	Other meetings
Jan		Committee meetings: contribute to quarterly work programme update
Feb	Annual Assurance and Risks Report	
Mar	Work programme consultation results (early Jan to late Feb) Draft overview report Quarterly work programme update	Spring Strategy Seminar: Reviews themes from overviews and AARR Agrees content for Annual Report Agrees themes for draft Strategy
Apr	Draft annual report Draft Commission Strategy (high level messages from Strategy Seminar)	Committee meetings: contribute to quarterly work programme update
May	Draft Commission Strategy	
Jun	Quarterly work programme update (reflecting any revised Strategy)	
Jul	Recess	
Aug		Committee meetings: contribute to quarterly work programme update
Sep	Quarterly work programme update	Autumn Strategy Seminar: Team development etc.
Oct		
Nov	Annual planning guidance	Committee meetings: contribute to quarterly work programme update
Dec	Quarterly work programme update Draft consultation themes	

MEETING: 9 JUNE 2022

REPORT BY: SECRETARY TO THE COMMISSION

SECRETARY'S UPDATE REPORT

Purpose

1. The purpose of this report is to provide an update to the Commission on significant recent activity relating to local government.
2. The Commission receives regular information to complement this report, which is available through the [members' SharePoint site](#). This includes:
 - The Controller of Audit report to the Commission, updating the Commission on his activity.
 - An update on issues relating to local government which is considered by the Commission's Financial Audit and Assurance Committee.
 - A weekly news coverage briefing provided to the Commission by Audit Scotland's Communication Team.

Commission business

Publications and activities

3. Audit Scotland collects media coverage on all reports published by the Accounts Commission. [Appendix 1](#) provides download and view statistics for the Commission's published reports and blogs over the last 12 months, as of 30 April 2022. [Appendix 2](#) provides additional information on the overall engagement that reports, and other business received on social media, as of 27 May 2022.
4. May saw a return to greater levels of engagement on social media following the moratorium period with 17,200 impressions (the number of browsers exposed to the Commission's social media content) which is more comparable to number of impressions in January at 12,600 although not as high compared to 33,100 impressions in March. Clicks, retweets, likes and video views also increased and were closer to the levels experienced in March. Much of this activity has been as a result of this [tweet](#) about Stephen Moore's [blog](#) on additional support services and this [tweet](#) on the [annual Local Government Overview](#) report (paragraphs 6 and 9), as well as other blogs published in May as covered below.
5. On 16 May a joint [blog](#) between Chair William Moyes and Sarah Gadsden, Chief Executive of the Improvement Service, was published about our Strategic Alliance and collaborative work that has been carried out over the last 12 months and which is planned for the future to help accelerate improvement and the pace of change across local government services. The blog had been viewed 41 times by the end of 17 May.
6. On 17 May a [blog](#) by member Stephen Moore was published on additional support for learning and the gap between ambition and reality of the support that is provided. The blog had been viewed 225 times by the end of 17 May.

7. On 24 May the Commission and Auditor General for Scotland [published](#) details of the appointment of the auditors to Scotland's public bodies for the next five years from October 2022. The audits of local government on behalf of the Commission and of health, central government, and further education bodies on behalf of the Auditor General, will be carried out by a mix of in-house Audit Scotland teams and external firms. The full list of auditors to each public body is available on the [Audit Scotland website](#).
8. On 25 May the Commission [published](#) its Overview of local government in Scotland 2022. It reports Scotland's councils have a pivotal role in supporting and working with communities as they responded to the impacts of Covid-19. In terms of recovery work councils should lead recovery work with and alongside local communities, focusing on getting the services people need in place as pressures and stresses escalate and impact the day to day lives of individuals and communities. The report was downloaded 393 times in the first 24 hours after publication. A [vlog](#) by the Commission Chair William Moyes was also published and viewed 779 times in Twitter by the 27 May. COSLA [responded](#) to the report with COSLA's Resources Spokesperson welcoming it and appreciating the recognition it gave to the extremely challenging context that councils are operating in and that the Commission highlighted the continuing need for more funding certainty and stability.
9. Following the May Commission meeting members had the following questions in relation to agenda item 10, the interim progress report on mainstreaming equality and equality outcomes.
 - *How are refugees and care-experienced young people feature in Audit Scotland's outcome 2 - 'We will increase the diversity of people into Audit Scotland and their progression through every level of our organisation'?* The Audit Scotland Human Resources team have advised that recruitment campaigns for all roles within Audit Scotland aim to attract a wide range of talent by advertising through targeted agencies and job boards. We aim to include additional support to underrepresented groups through application mentoring.
 - *How does Audit Scotland can use benchmarking against other organisations in relation to outcomes 2 (as above) and outcome 3, namely 'We will broaden our culture of diversity and inclusion, so all employees feel valued, engaged and contribute', and how this would be reported?* The Audit Scotland Human Resources team have advised that benchmarking will be completed through work with our partner, procured as part of our Diversity and Inclusion Action plan. Additional data capture will also assist with this measurement.

Forthcoming publications and activities

10. During June the following activities are planned:
 - Publication of:
 - An email from the Commission Chair to all 1227 newly elected councillors to welcome them to their new role (week commencing 6 June)
 - A vlog/video by Stephen Moore about the June Commission meeting (17 June)
 - The Commission's annual report (23 June)
 - The financial overview report of IJBs with an accompanying vlog by William Moyes (30 June)

- A media campaign to accompany the campaign to recruit four new Commission members from October (applications open from 10 June and close on 22 July).

Other Commission business

11. On 19 May the Commission submitted a joint response with the Auditor General for Scotland on the revision consultation in relation to the National Strategy for Community Justice. This can be found on the [members SharePoint site](#).
12. Members are asked to review the members' communications schedule on the [members' SharePoint site](#). This includes a list of planned publications and activities for the year, along with indicative roles for members in promotion and engagement activities. This document is live and is updated monthly, following discussion with Audit Scotland's communications team.

Auditor General

13. On 19 May the Auditor General [published](#) a report on the progress of the implementation of new devolved social security benefits. It found significant progress has been made in the delivery of complex devolved social security benefits under challenging circumstances during the pandemic. The report suggests there will need to be an expansion of the Social Security Scotland workforce to meet expected demand.

Audit Scotland

14. On 5 May Audit Scotland launched its mentoring partnership with Audit Wales in addition to the Audit Scotland internal mentoring programme.
15. On 20 May the Best Companies results for 2022 were announced in a virtual ceremony recognising the best in workplace engagement with Audit Scotland reaching 21st place across Scotland in the Best Companies list and named the UK's 8th best accountancy workplace. A copy of the article is available on [the Commission member's SharePoint site](#). In addition, a best companies [profile](#) of Audit Scotland is also publicly available.
16. During May Audit Scotland published details of the following appointments to its Executive Team:
 - [Vicki Bibby](#) as Chief Operating Officer
 - [Antony Clark](#) as Executive Director of Performance Audit and Best Value
 - [John Cornett](#) as Executive Director of Audit Services
 - [Kenneth Oliver](#) as Executive Director of Innovation and Quality.
17. During May, Audit Scotland concluded a 10-year review of the Institute of Chartered Accounts of Scotland (ICAS) training scheme, the conclusions of which are now being considered by its Management Team.

Issues affecting Scottish local government

Scottish Government

18. On the 4 May the Scottish Government contacted public bodies with a [further update](#) on Scottish Government's work on sanctions against Russia and related issues including a ban on exports of luxury goods to Russia, strengthened trade sanctions and to advise that the UK Government had unilaterally liberalised all tariffs with Ukraine. [Guidance](#) regarding IT products and cyber security was also provided.
19. On 9 May the Scottish Fire and Rescue Service launched a [consultation](#) on their draft

Strategic Plan 2022-25 which sets out the SFRS's seven outcomes that will be the focus of the SFRS over the next three years. These outcomes include community safety and wellbeing will improve due to both preventative activities and partnership working and that communities will be safer and more resilient following the application of lessons learned from the Covid-19 pandemic and as the SFRS responds effectively to changing risks. It is proposed the Commission will provide a joint response with the Auditor General, to be agreed by the Secretary in conjunction with the Chair. The consultation runs until 10 July.

20. On the 12 May the Scottish Government launched a [consultation](#) on improving victims' experiences of the justice system, with a particular focus on sexual offences. Views are being sought on the establishment of a Victims' Commissioner for Scotland and whether to take a trauma-informed and person-centred approach, to consider special measures to assist vulnerable parties and new statutory underpinning for anonymity for complainers in sexual offence cases as well as the establishment of a new specialist criminal court for serious sexual offences. The consultation will close on 5 August 2022. It is proposed that the Commission does not respond (in common with the Auditor General) given a lack of audit evidence available at this time.
21. On 24 May the Scottish Government launched a [consultation](#) on recommendations that will or are likely to require legislation following the [independent review](#) and related recommendations regarding police complaints handling, investigations and misconduct issues. The consultation will close on 16 August. It is proposed that the Commission does not respond (in common with the Auditor General).
22. During May a dedicated [website](#) for the Scottish Covid-19 inquiry was launched to publish research and provide updates on its work. The Commission has agreed previously to provide a submission to the inquiry.
23. On 31 May, the Scottish Government [published its Resource Spending Review \(RSR\)](#), alongside an updated [Medium Term Financial Strategy \(MTFS\)](#). This is the first multi-year spending plan since 2011, and is informed by updated fiscal and social security forecasts by the [Scottish Fiscal Commission](#). Resource spending relates to the day-to-day spending of government, such as spending on public sector pay and services. This is different to capital spending, such as infrastructure spending, for which a separate [Capital Spending Review](#) was published last year.
24. Expected budgets, funded mostly through Barnett consequentials, are expected to be lower in the medium term than during the pandemic but higher than pre-pandemic levels. It is clear that there are substantial pressures on the Scottish budget in the medium term. This is caused by a combination of factors, including recovering from a pandemic, external factors such as inflation and cost of living pressures, and policy choices, such as increasing social security payments. The RSR and MTFS outline the Scottish Government's intended response to these pressures. In particular, this includes:
 - Prioritising spending in addressing child poverty, climate change, the economy and public services (such as the national care service)
 - Improving efficiency to reduce costs, such as through digitisation, reform of the public sector estate and improving public procurement
25. Audit Scotland is currently working through the reports to determine what this means for portfolios and public spending, including the implications for local government. The team will provide further information to the Accounts Commission at its meeting in August.

Local government general

26. On 19 May the Scottish Government [published](#) Local Government finance circular 6/2022 containing accounting guidance for the extension to accounts approval and publication dates for 2021-22. This sets out the agreed extension of the statutory dates for approving and publishing the 2021/22 annual accounts to 15 December 2022.

Health and social care

27. On 7 May the Scottish Government [published](#) details of an additional £15 million to support the Communities Mental Health and Wellbeing Fund for adults for a second year. This fund was launched in October 2021 to tackle social isolation, loneliness and mental health inequalities made worse by the pandemic.
28. On 10 May Public Health Scotland [published](#) the results and related online dashboards of the Scottish Health and Care Experience Survey 2021/22. This biennial national survey asks about people's experiences of accessing and using their GP practice and other local healthcare services; receiving care, support and help with everyday living; and caring responsibilities. Individual reports for each Health and Social Care Partnership, GP practice, GP cluster and NHS Board are available from the online dashboards.
29. On 16 May the Scottish Government published details of its [consultation](#) on its first Data Strategy for health and social care. The consultation covers how the data should be used and managed and runs until 12 August. I am consulting with Audit Scotland colleagues to agree whether the Commission should respond to this consultation. I will advise the Commission accordingly at today's meeting.

Education and Young People

30. On 9 May the Scottish Government published details of a [consultation](#) seeking views on improving the collection of education data to assess progress towards closing the poverty-related attainment gap. It is proposed the Commission provide a joint response with the Auditor General, to be agreed by the Secretary in consultation with the Chair. The consultation runs until 18 July.

Social Security

31. On 11 May the Scottish Government [published](#) its plans to support an additional 30,000 people by removing income thresholds from Best Starts Foods eligibility by 2023/24 as part of the Tackling Child Poverty Delivery Plan.

Restorative Justice

32. On 30 May the Scottish Government [published](#) details of its new restorative justice services, putting victims at the heart of the justice system with the launch of two hubs. The National Hub, within Community Justice Scotland which will have a strategic oversight role and will also manage the delivery of an initial test project in Edinburgh, Lothian, and the Borders. It will seek to establish best working practices ahead of a wider rollout to other regions. A Thriving Survivors hub is also being set up to offer a trauma informed service to support cases involving sexual harm. To date, £725,000 in government funding has been allocated for the rollout of restorative justice services.

Climate Change / Energy Efficiency

33. On 10 May the Scottish Government [published](#) details of grants awarded from the low carbon Vacant and Derelict Land Investment Programme that aims to drive regeneration and innovation while tackling climate change. Successful projects include

regenerating derelict land in East Greenock, decontaminating and redeveloping former industrial land for social housing in East Dunbartonshire, installing heat pump technology for proposed commercial developments in South Lanarkshire and redeveloping challenging building plots for net zero and affordable homes through the Edinburgh Home Demonstrator programme.

34. On 10 May the Scottish Government [published](#) a report following an independent review of the role of incineration in the hierarchy of waste disposal in Scotland. The report makes 12 recommendations and two provisional recommendations for the Scottish Government, local authorities, and the wider waste industry, including:
- Industry, local authorities, and the Scottish Government should do more to make data around waste in general and around incineration more transparent and accessible (Recommendation 3).
 - The Scottish Government should ensure no further planning permission should be granted to incineration infrastructure, unless balanced by an equal or greater closure of capacity (Recommendation 4).
 - Local authorities should specifically address the risks of lock-in when negotiating waste management contracts (Recommendation 6).
 - As part of the strategic approach referred to in Recommendation 11, Scottish Government and Local Authorities should ensure that adequate time and resource is dedicated to local and community engagement (Recommendation 8).
 - Communities deserve more authentic and committed engagement from local authorities and industry than is currently sometimes the case (see Recommendation 8 and Recommendation 9).
 - Scottish Government and local authorities should work with industry to develop a strategic approach to planning and deploying waste collection, reprocessing and management facilities by end of 2023 that takes account of the key issues. (Recommendation 11).

The Scottish Government will set out its initial response to the review in June.

35. On 13 May the Cabinet Secretary for Net Zero, Energy and Transport wrote to public sector leaders with information regarding the enhanced Public Bodies Climate Change Duties reporting requirements. A copy of the letter is available on the members SharePoint site [here](#). Audit Scotland currently publish an annual report on [Environment, Sustainability and biodiversity](#) and also provide [data](#) to Sustainable Scotland Network Scotland who collate all public sector data and report to the Scottish Government. All recommendations will be integrated into Audit Scotland reporting requirements and this year's reports will be published by the 30 November 2022.
36. On 17 May the Sustainable Scotland Network [published](#) a summary analysis and report on the climate change reporting requirement duties on Scotland's public bodies for 2020/21. It reported local authorities demonstrated a step change in emissions with a reduction of 11.4% on 2019/20 but they still represented the largest share of total emissions at 44%. Good practice examples were highlighted and included the following councils: City of Edinburgh, East Ayrshire, Highland, Dundee City and Argyll and Bute, West Dunbartonshire and Inverclyde, Midlothian, and South Lanarkshire.
37. From 21 May the Local Heat and Energy Efficiency Strategies (Scotland) Order 2022 ([Scottish Statutory Instruments 2022 No 171](#)) came into effect. The order requires local authorities to prepare a Local Heat and Energy Efficiency Strategy and Delivery Plan

by 31 December 2023 and subsequently on a five yearly cycle. As set out in the Scottish Government's [Heat in Buildings Strategy](#), Local Heat and Energy Efficiency Strategies (LHEES) will provide an area-based 'blueprint' for decarbonised heat and energy efficiency planning and delivery.

38. On 26 May the Scottish Government published [its third progress report on Scotland's Climate Change Adaptation Programme 2019 to 2024](#) (the SCCAP2 programme) and the [second annual monitoring report](#). It also published its [response](#) to the publication of the Climate Change Committee's [annual report on progress in reducing emissions in Scotland](#), in December 2021.
39. On 30 May the Scottish Government [published](#) details of new measures to help cut waste and preserve resources to help tackle the climate and biodiversity crisis. Key proposals include banning the destruction of unsold goods to ensure that products never end up landfilled or incinerated when they could be used or recycled, improving household recycling and reuse services and consulting on separate kerbside collection of textiles by 2025, introducing new reporting to show where recycling goes once it has been collected and powers to set local recycling targets.

Communities

40. On 10 May the Scottish Government published an [annual housing statistics](#) summary up to 31 March 2021 on new housing supply across all sectors and information on various elements of local authority housing stock. Detailed excel tables that include information on individual local authorities are also available. Additional detailed published information about individual local authorities housing stock was also [published online](#).
41. On 16 May the Scottish Government [published](#) details about its consultation on the creation of a new National Park in Scotland before the end of the Parliamentary Session in 2026. The public [consultation](#) is asking what people a number of questions including what Parks should deliver, how they can help protect and restore nature, tackle climate change and propose sustainable land use. The consultation will close on 3 June, and after which, there will be a longer period during which communities, local government and organisations will be encouraged and supported to develop proposals for new Parks. It is proposed that the Commission does not respond to this consultation.
42. On 17 May the Scottish Government [published](#) details of six Scottish islands that are to be included in the Carbon Neutral Island project to support island communities to become carbon neutral by 2040. They have been identified by the Scottish Government in collaboration with local authorities and island representatives and include Hoy, Islay, Great Cumbrae, Raasay, Barra and Yell.

Economy and business

43. On 9 May the Scottish Government [published](#) details about its plans to establish a new centre of Expertise in Equality and Human Rights, putting human rights and equality at the heart of economic policy development. [The report of the Advisory Group on Economic Recovery](#) (June 2020) concluded that tackling inequalities is key to economic recovery.
44. On 9 May the Scottish Government [published](#) details of an additional £4 million funding to the Young Person's Guarantee to help remove barriers to employment. Three programmes will share the funding which will connect people with employers, training, and volunteering opportunities. The three programmes are Inspiring Scotland, the Young People's Consortium and Volunteering Matters.

45. On 20 May the Scottish Government published its labour market monthly briefing for [May 2022](#). This summarises employment and economic inactivity from the Labour Force Survey and other labour market statistics from a range of official sources. Some of the information is broken down into Scottish local authority areas. On the 17 May SPICe [published](#) overviews of the labour market for Scotland.

Scottish Parliament

46. During May, the Scottish Parliament Information Centre (SPICe) published:
- A [blog](#) on Scotland's Performance
 - A [blog](#) on the local government elections
 - A [blog](#) on the Queen's speech
 - A [blog](#) on Social Work and the National Care Service
 - A [blog](#) on the Social Work Workforce
 - A [Common Frameworks hub](#)
 - A [National Care Service hub](#)
 - A guest [blog](#) from ICAS and guide to public finance accountability
 - A [briefing](#) on Children and Young People's mental health
 - A [briefing](#) on Social Work
 - A [briefing](#) on Scotland's GDP for Q4 of 2021
47. On 9 May the Citizen Participation and Public Petitions Committee launched an [inquiry](#) into the role of public participation in the Scottish Parliament. It is seeking views from organisations and people not traditionally engaged with the Parliament's work to help identify any barriers that may exist and to get their view of how the parliament can meet the needs of all the communities it serves. This includes groups such as those who are disabled, from a minority ethnic background or those who are living on a low income. The consultation runs until 30 June. It is proposed that the Accounts Commission provide a response joint response with the Auditor General.

Parliamentary committee news

Public Audit Committee

48. During May the Committee took evidence on and [considered](#): the Auditor General's performance audit on the new vessels for the Clyde and Hebrides; the Section 22 Report: The 2020/21 audit of South Lanarkshire College¹; the administration of Scottish income tax 2020/2; accountability and governance arrangements of major capital projects; a draft committee annual report; and its work programme.
49. On 12 May the Auditor General, Audit Scotland Senior Manager Rebecca Seidel and Mazars LLP Director Lucy Nutley gave [evidence](#) on the Section 22 report: [the 2020/21 audit of South Lanarkshire College](#). This was followed by the Auditor General and Audit Scotland Senior Manager Richard Robinson giving evidence on the [Administration of](#)

¹Section 22 reports are prepared by the Auditor General if any specific concerns or issues have been raised in the annual audit of one of the public bodies for which he is responsible. This is done under Section 22(3) of the Public Finance and Accountability (Scotland) Act 2000.

[Scottish income tax 2020/21.](#)

50. On 19 May the Auditor General and Audit Scotland Senior Manager Morag Campsie gave [evidence](#) on the management of [Major Capital Projects: Accountability and governance arrangements](#). (This report is a committee report rather than the Auditor General.)
51. On 26 May the Auditor General, Audit Scotland Director Angela Canning and Audit Manager Gill Miller gave [evidence](#) on the performance audit [New Vessels for the Clyde and Hebrides](#).

Local Government, Housing and Planning Committee

52. During May the Committee took evidence on and [considered](#): an evidence session on its allotments inquiry; the Non-domestic Rates (Coronavirus) (Scotland) Bill; the Coronavirus (Recovery and Reform) (Scotland) Bill; affordable housing; subordinate legislation; a draft committee annual report; and its work programme.

Finance and Public Administration Committee

53. During May the Committee took evidence on and [considered](#): the National Performance Framework: Skills Development Scotland; the trends behind the income tax forecasts; the Scottish Parliamentary Corporate Body Budget; the Scottish Parliament's website; appointments to the Scottish Fiscal Commission; public administration in the Scottish Government; a draft committee annual report; and its work programme.

Health, Social Care and Sport Committee

54. During May the Committee took evidence on and [considered](#): tackling alcohol harms in Scotland; the Auditor General's report [the NHS in Scotland 2021](#); its inquiry on health inequalities; an update on the [briefing on Social Care](#); provisional common frameworks; its annual report; and subordinate legislation.
55. On 13 May the Committee [published](#) its inquiry report on the Health and Wellbeing of Children and Young People in Scotland. The report includes 99 recommendations covering 29 different areas or aspects including physical, sexual and mental, stigma, Child and Adolescent Mental Health Services & workforce, the impact of poverty and inequality on health and wellbeing, disadvantaged groups and health, tackling poverty, young carers, adverse childhood experiences, care experienced children and young people, the transition to adult services, the role of schools and youth services in supporting health and wellbeing, the co-production of services, long-term strategies and data gaps.
56. On 25 May the Committee [published](#) its annual report for 2021-22. The Committee held 33 meetings, four inquiries, scrutinised one bill and published eight reports during the parliamentary year.

Covid-19 Recovery Committee

57. During May the Committee took evidence on and [considered](#): an evidence session on its inquiry into communication of public health information in relation to the experience of the Covid-19 pandemic; and its annual report.
58. On 13 May the Committee [published](#) its annual report for 2021-22. The Committee held 30 meetings, three inquiries, scrutinised two bills and published 18 reports during the

parliamentary year.

Social Justice and Social Security Committee

59. During May, the Committee took evidence on and [considered](#): the inquiry into low income and debt problems; the Scottish Commission on Social Security; a draft committee annual report; and its work programme.

Net Zero Energy & Transport Committee.

60. During May, the Committee took [evidence](#) on and considered: the role of local government and its partners in financing and delivering a net-zero Scotland; ferry services; the UK Internal Market Act 2020; the High Speed Rail (Crewe-Manchester) Bill; Energy Price rises; and a draft Committee annual report.

Education, Children and Young People Committee

61. During May the Committee took evidence on and [considered](#): the Scottish Attainment Challenge Inquiry; public petitions; and the implementation of the expansion of early learning and childcare hours.

Local government general

62. On 22 April Unison wrote a joint open [letter](#), with Unite and GMB, to the Convention of Scottish Local Authorities (COSLA) about the matter of pay for local government workers after results of members consultation established 89.8% of members had voted yes to taking some form of action up to and including strike action in pursuit of an acceptable pay offer. It was subsequently [reported](#) on 30 May that the GMB union will be sending a statutory notice to COSLA informing them that there will be an industrial action ballot of members in schools and early years, waste and cleansing services from 6 June.
63. Following the 2022 local government elections, councils have been continuing to form administrations with all 32 administrations now agreed. Details of the administrations and councillors voted in for each party is in **Appendix 3**. Following the election results, Shetland Islands Council had one vacant seat and Comhairle nan Eilean Siar (CNES) had two vacant seats. By-elections will be held on 30 June in the two CNES wards. A by-election date for the Shetland Islands Council vacancy is still to be agreed.
64. On 19 May the EIS [published](#) details that it had rejected a pay offer of 2% for Scotland's teachers and called for the Employers' Side to come back quickly with a significantly improved offer. for rapid & vastly improved settlement.
65. On 23 May The Promise Scotland Oversight Board published its first report on progress Scotland is making to keep the pledge, [The Promise](#), by 2030. The report found that although progress has been made, the pace and scale of change needs to increase. It identified that although there was clear commitment, there were issues of inconsistent accountability and incomplete data being available to help understand children's lives. Other areas lacking progress included being clear on what the financial investment is achieving, a lack of mental health provision, lack of urgency in removing 16 and 17-year-olds from Young Offenders Institute provision and that outcomes for care experienced children are not good enough.

Improvement Service

66. On 17 May the Improvement Service [published](#) details of its new project to support the implementation of the United Nations Convention on the Rights of the Child (UNCRO). The project will support public bodies to prepare for the incorporation of the UNCRC,

helping them to understand the duties that the legislation brings on them and how they are best placed to meet these.

67. On 17 May the Improvement Service [published](#) details about carbon literacy training that has been received by fifty senior leaders from Scotland's seven cities in the last three months due to a partnership between the Scottish Cities Alliance and the Improvement Service.
68. On 24 May the Improvement Service [published](#) details that two new project towns of Rutherglen and Fraserburgh are to be included in their Shaping Places for Wellbeing Programme.

SOLACE

69. On 10 May SOLACE UK [published](#) a response to the Queen's speech and the SOLACE President highlighted that local government has a vital role to play in getting the country back on track but advised that significant new powers and funding, particularly in social infrastructure was required to do so.

Other scrutiny bodies

Standards Commission

70. On 2 May the Standards Commission published an [article](#) about the representation of women in politics, highlighting that despite a century having passed since women had the right to stand for election, they remain underrepresented at both national and local levels. It referenced recent studies and stories from social media and said it was concerning if this will lead to fewer women standing for election or remaining in politics. The article calls for all councillors to adhere to the requirement to treat everyone with courtesy and respect as required by the Councillor's Code of Conduct.

Scottish Public Sector Ombudsman (SPSO)

71. On 18 May the SPSO published their [May](#) newsletter, outlining statistics on complaints and the publication of two cases that highlight the importance of carrying out full clinical assessments. It also includes statistics on Scottish Welfare Fund reviews, case studies and that there is a backlog in allocating complaints due to the organisation recovering from the pandemic with delays of up to 11 months. There is also information about their Independent National Whistleblowing Officer [May e-bulletin](#).
72. On 24 May the SPSO [published](#) their Annual Statistics 2021-22 detailing the number of enquiries and complaints received and determined in the past year. In summary, the SPSO received 3,665 complaints which was a 17% increase on the previous year and determined 3,492 complaints, a 10% increase compared to the previous year. Of the 284 complaints investigated, 73% were about the health sector and 63% of investigated complaints were upheld and 511 recommendations made.

Scottish Housing Regulator

73. On 20 May the Scottish Housing Regulator [published](#) details that it had recently appointed 12 independent, volunteer Tenant Advisors to help keep tenants' views at the heart of its work. The Tenant Advisors will provide feedback from a tenant perspective to add to other regulatory evidence it gathers.

Care Inspectorate

74. On 9 May the Care Inspectorate [published](#) its finalised Corporate Plan 2022-25 outlining the vision and the strategic outcomes and key priorities the inspectorate will

focus on. One of the seven key priorities is to scrutinise and support local authorities and partnerships to ensure that those accessing services can do so when and where they need to, and their support meets their individual needs.

75. On 24 May the Care Inspectorate [published](#) an interim report into support services for children and young people at risk of harm in West Dunbartonshire. The report recognised significant challenges faced by the partnership in terms of managing the ongoing impact of the pandemic and the resources needed to do so. Inspectors noted the partnership responded effectively when concerns about children and young people were first identified, and that the quality of later processes was inconsistent with issues around the quality of assessments, planning and reviews.

Her Majesty's Fire Service Inspectorate in Scotland

76. On 16 May Her Majesty's Fire Service Inspectorate in Scotland [published](#) the Chief Inspector's plan for 2022 to 2025 outlining the annual inspection plan of the Scottish Fire and Rescue Service (SFRS) for 2022-2023.

Education Scotland

77. On 24 May Her Majesty's Inspectors of Education [published](#) a national report examining a range of approaches taken to support improvement and recovery in establishments nominated by local authorities across Scotland in response to the pandemic. A number of case studies were referenced from across Scotland and findings include:
- resilient staff across schools and settings who have shown great resolve in managing the challenges of the pandemic while also implementing improvement to support children's and young people's learning
 - greater emphasis on support to improve the mental and emotional wellbeing of children, young people, and their families
 - staff building on existing practices to support children and young people to make progress
 - strengthened approaches to parental engagement
 - recognition that the pandemic has impacted on skills and attributes of children and young people
 - increased need to support senior leaders with their own wellbeing
 - the impact of continued absence to supporting continuity of learning

Environmental Standards Scotland

78. On 29 April Environmental Standards Scotland (ESS) [published](#) details of the appointment of its permanent Chief Executive officer, Mark Roberts who is joining from Audit Scotland where he is currently an Audit Director.

Scottish public policy news

79. On 1 May the Institute of Economic Affairs [published](#) a discussion paper that estimates the introduction of minimum unit pricing in Scotland since 2018 has not seen the reduction in the health and social alcohol-related harms intended. It claims data suggests most indicators have stayed the same or worsened since the policy's introduction.

80. On 4 May the Fraser of Allander Institute [published](#) the findings of its quarterly Scottish Business Monitor in partnership with Addleshaw Goddard. Drawing from the experience of 500 firms in April, it observed more than one in three expected to reduce their operations due to higher energy prices, though this is thought to be small or moderate.
81. On 11 May the National Institute of Economic and Social Research published data in their spring outlook that predicts over 150,000 Scottish households will have their disposable incomes wiped out by food and fuel bills over the next year.
82. On 17 May the Office for National Statistics [published](#) data from that suggests the rate of unemployment fell 0.9 percentage points in Scotland, in the first quarter of the year, down to 3.2%. Figures match levels last seen in March 2019. The estimated employment rate was at 75.6% of the working age population.
83. On 19 May Reform Scotland [published](#) a briefing setting out a series of recommendations for local government reform. The briefing calls for directly elected mayors and full devolution of local taxes to drive local engagement, with a quarterly public meeting between the First Minister and Scotland's council leaders.
84. During May the Diffley Partnership [published](#) the findings of its quarterly survey measuring public perceptions in Scotland. It has observed the cost-of-living top's people's concerns, with 47% of all respondents ranking this among their top priorities. This figure has doubled over the past eight months.

Other UK audit bodies

85. On 6 May the Jersey Audit office [published](#) a report on governance and decision making during the Covid-19 pandemic. The Comptroller and Auditor General found that although the Government of Jersey recognised existing emergency legislation did not provide the best route for managing the pandemic, there was a non-statutory Competent Authorities Ministers Group established but there were some ambiguities in the roles and responsibilities of different political groups.

UK Government

86. On 10 May the UK Government [published](#) a transcript of the Queen's speech which was delivered by Prince Charles outlining the UK Government's agenda for the coming session of parliament. The plans include efforts to 'level up' opportunity across the UK, ease the cost-of-living crisis and grow the economy.
87. On 12 May the chair of the UK Covid inquiry, Baroness Hallett, [wrote](#) to the Prime Minister Boris Johnson outlining proposed changes to the inquiry's terms of reference. She judged devolved matters should feature in the inquiry, following the findings of a public consultation in which concerns over the appropriateness and variation in guidance were raised.
88. On 26 May the Chancellor, Rishi Sunak [published](#) details of a £15.3bn package of support for UK households amid rising energy prices and spiralling inflation. It includes a one-off £650 cost of living payment for low-income households and the doubling of the energy bills discount scheme to £400. Measures will be part funded by a 25% Energy Profits Levy on oil and gas companies, which is expected to raise £5bn. The bulk of support will apply UK-wide, except the £500m Household Support Scheme, for which the Scottish Government will receive £41m in Barnett consequentials. Early [analysis](#) by the Resolution Foundation suggests measures will on average benefit the poorest fifth of households by £823, in contrast with £500 and £296 for the middle and richest fifth, respectively. The Scottish Finance Secretary, Kate Forbes [published](#) a response, welcoming plans but urging greater support for households and businesses

in the coming months.

UK public policy news

89. On 9 May the Institute for Fiscal Studies (IFS) [published](#) an observation note on the rollout of Universal Credit as the moving of the 2.6m people still claiming legacy benefits to the new system resumes today. The UK Government's planned "managed migration" of claimants was paused due to the pandemic, with the government now targeting a completion date at the end of 2024, about a decade after Universal Credit's first introduction.
90. On 10 May, the Institute of Chartered Accountants in England and Wales (ICAEW) [published](#) an article raising concerns about proposed audit reform by the ICAEW Chief Executive following the government's agenda as set out in the Queen's speech. The Chief Executive identified two aspects that were disappointing. Firstly, that the proposed scope of change "...constitutes a missed opportunity to address wider issues in corporate governance." Secondly that the draft Bill, which would include the establishment of a new statutory regulator, the Audit, Reporting and Governance Authority (ARGA) amongst other elements, may be put forward this session, but with 38 bills and draft bills to content with, there was little chance the Bill would pass in the forthcoming or subsequent parliamentary sessions.
91. On 12 May the Joseph Rowntree Foundation [published](#) findings from a study exploring the experience of low-income families during the second half of the pandemic. It highlighted the impact of disrupted education and the constraints of working from home for those with limited means to do so.
92. On 18 May the Office for National Statistics (ONS) [published](#) figures showing the headline rate of inflation rose to 9% in the 12 months to April, up from 7% in March. It has attributed three quarters of the increase to higher electricity and gas bills following Ofgem's decision to increase the energy price cap last month.
93. On 19 May the Institute for Government [published](#) a report highlighting decisions made by the UK Government which undermine net zero objectives. It also points out why a "net zero test", which could be used to judge ministerial decisions based on climate objectives, would be insufficient to stop ministers rationalising decisions which undermine net zero ambitions.
94. On 23 May the ONS [published](#) an article about the permanence of hybrid working, with the proportion of those working partly from home rising from 13% in early February 2022 to 24% in May 2022.
95. On 23 May Public Finance [published](#) an article about the Chartered Institute of Public Finance and Accountancy (CIPFA) [report](#) on the role of internal audit in supporting and improving public organisations in the UK. The report, based on survey responses from more than 800 internal auditors and public finance managers from across the UK, found that cultural issues are also affecting staff retention, and that services proved by internal audit were not always fully appreciated. Cyber security, digitisation and climate change were also identified as the key areas internal audit should focus on in the next three years, to stay relevant and provide the greatest impact.
96. On 25 May the Institute for Government [published](#) a paper warning the government should not seek to prop-up demand or introduce broad-based tax cuts in response to increasing inflation. It notes the current economic situation stems from the supply side, with a need to use fiscal policy in a limited fashion to support low-income households.
97. On 25 May the Resolution Foundation has [published](#) its annual report exploring the current state of low pay, minimum wage and the UK labour market.

98. On 30 May the ONS [published](#) findings which show there has been a steady increase in the percentage of young people (16-24) from the highest socio-economic background between 2014 and 2021. It notes those who had lived in a workless household were less likely to be in employment and more likely to be economically inactive, with findings generally consistent across time.

Conclusion

99. The Commission is invited to:

- a) Agree that it respond to the consultations highlighted at paragraphs 19, 30 and 47.
- b) Agree that it does not respond to the consultations highlighted at paragraphs 20, 21 and 41.
- c) Note that I will advise at today's meeting about whether the Commission responds to the consultation highlighted in paragraph 29.
- d) Note this report.

Paul Reilly
Secretary to the Commission
1 June 2022

Appendix 1 Commission reports/blogs in past 12 months: Downloads and views

Report / blog	Date	Downloads/ blog views
The 2020/21 audit of Orkney and Shetland Valuation Joint Board	22 Mar 22	335 (+67)
Blog: Councils face complex and urgent challenges	21 Mar 22	348 (+146)
Scotland's economy: Supporting businesses through the Covid-19 pandemic	17 Mar 22	718 (+137)
Local government in Scotland: financial overview 2020/21	10 Mar 22	1001 (+231)
Drug and alcohol services update	8 Mar 22	1035 (+180)
Best Value Assurance Report progress report: Moray Council	3 Mar 22	366 (+62)
Blog: The value of independence & scrutiny across local gov't	24 Feb 22	338 (+37)
Social care briefing	27 Jan 22	2,735 (+457)
Best Value Assurance Report: Falkirk Council	13 Jan 22	1011 (+100)
Blog: Public performance reporting – why it matters	21 Dec 21	319 (*)
Blog: Assurance & scrutiny on Scotland's housing benefit services	25 Nov 21	262 (*)
Community empowerment: Covid-19 update	28 Oct 21	2,597 (+80)
Best Value Assurance Report: South Ayrshire Council	27 Oct 21	737 (+64)
Auditing climate change: An update	21 Oct 21	806 (+50)
The role of sponsors in our reporting work	14 Oct 21	214 (*)
The impact of Covid-19 on Scottish Councils' benefit services	7 Oct 21	412 (+33)
Blog: Christie – it really is now or never	4 Oct 21	736 (*)
Best Value Assurance Report: East Dunbartonshire Council	29 Sept 21	629 (+39)
Accounts Commission Strategy 2021-26	23 Sept 21	775 (+53)
Blog: Digital exclusion	16 Sept 21	1,190 (+86)
Blog: Child and Adolescent Mental Health Services	31 Aug 21	1,358 (+78)
Blog: Public Services & Scotland's Vol Sector during Covid-19	25 Jun 21	616 (*)
Best Value Assurance Report: Aberdeen City Council	24 Jun 21	1,164 (+58)
Social Care: social care reform questions remain	3 Jun 21	2,011 (+56)
Accounts Commission annual report 2020/21	3 Jun 21	495 (*)
Local government in Scotland Overview 2021	27 May 21	4,080 (+331)

Note: Figures are reported as at the end of April 2022.

Key:

- (x) Increase in numbers since last month
- * This figure is below 30
- n/a Not applicable

Appendix 2: Accounts Commission social media engagement data

	Followers	Posting views	Video views	Links accessed	Retweets	Likes	Replies	No. of publications
May 22	853 (+12)	17,200	843	140	78	65	8	3
Apr 22	841 (+10)	2,009	0	16	3	2	0	0
Mar 22	831 (+23)	33,100	2,800	118	77	61	12	5
Feb 22	807 (+2)	8,000	1,100	60	34	32	1	1
Jan 22	805 (+13)	12,600	839	103	27	38	6	2
Dec 21	792 (+4)	6,500	108	48	20	25	2	0
Nov 21	788 (+10)	6,600	499	32	29	35	0	1
Oct 21	778 (+13)	22,500	316	93	47	97	6	6
Sep 21	765 (+8)	13,600	584	43	35	39	0	3
Aug 21	757 (-1)	11,200	339	48	3	13	0	0
Jul 21	758 (+18)	7,700	24	5	16	26	0	0
Jun 21	740 (+14)	56,900	513	348	113	174	8	1
May 21	726 (+22)	46,300	836	122	95	148	9	1
Apr 21	704 (+3)	3,300	n/a	1	1	0	0	0

Figures as of 27 May 2022.

Change on previous month shown in brackets.

Appendix 3: Council administrations (27 May 2022)

Council	Control	SNP	Con	Lab	LD	Grn	Ind	vacancy	Total
Aberdeen City	SNP & LD coalition	20	8	11	4	0	2	0	45
Aberdeenshire	Con, Ind & LD coalition.	21	26	0	14	0	9	0	70
Angus	SNP & Ind coalition	13	7	1	0	0	7	0	28
Argyll and Bute	Con, Ind & LD coalition	12	10	1	5	1	7	0	36
City of Edinburgh	Lab minority	19	9	13	12	10	0	0	63
Clackmannanshire	SNP minority	9	3	5	0	1	0	0	18
Comhairle n Eiln Siar	Ind majority	6	1	0	0	0	20	2	29
Dumfries & Galloway	SNP, Lab, LD & Ind coalition	11	16	9	1	0	6	0	43
Dundee City	SNP majority	15	1	9	4	0	0	0	29
East Ayrshire	SNP minority	14	4	10	0	0	4	0	32
East Dunbartonshire	SNP minority	8	3	4	6	0	1	0	22
East Lothian	Labour minority	7	4	10	0	1	0	0	22
East Renfrewshire	Labour & Ind coalition.	6	5	5	0	0	2	0	18
Falkirk	SNP minority	12	5	9	0	0	4	0	30
Fife	Lab minority	34	8	20	13	0	0	0	75
Glasgow City	SNP minority	37	2	36	0	10	0	0	85
Highland	SNP & Ind coalition.	22	10	2	15	4	21	0	74
Inverclyde	Lab minority	8	2	9	0	0	3	0	22
Midlothian	SNP minority	8	3	7	0	0	0	0	18
Moray	Con minority	8	11	3	1	1	2	0	26
North Ayrshire	SNP minority	12	10	9	0	0	2	0	33
North Lanarkshire	SNP minority	36	5	32	0	1	3	0	77
Orkney Islands	Ind majority	0	0	0	0	2	19	0	21
Perth and Kinross	SNP minority	16	14	2	4	0	4	0	40
Renfrewshire	SNP minority	21	5	15	1	0	1	0	43
Scottish Borders	Con & Ind coalition	9	14	0	3	1	7	0	34
Shetland Islands	Ind majority	1	0	1	0	1	19	1	23
South Ayrshire	Con minority	9	10	5	0	0	4	0	28
South Lanarkshire	Lab, LD & Ind administration	27	7	24	3	1	2	0	64
Stirling	Lab, LD & Ind minority coalition.	8	7	6	0	1	1	0	23
West Dunbartonshire	Lab majority	9	0	12	0	0	1	0	22
West Lothian	Lab minority	15	4	12	1	0	1	0	33
Total		453	214	282	87	35	152	3	1226

Source: BBC News [bbc.co.uk/news list of all council administrations 26 May 22](https://www.bbc.com/news/uk-politics-61481111)

MEETING: 9 JUNE 2022

REPORT BY: CHAIR OF ACCOUNTS COMMISSION

CHAIR'S UPDATE REPORT

Purpose

1. This report provides an update on the engagements and work of the Chair of the Accounts Commission.

Engagement and Audit Scotland business

2. The engagements and work in the period of 1 to 31 May 2022 have been as follows:

Audit Scotland Board and Committee meetings

- 17 May – Audit Scotland Board. The main items of substance covered were the Mainstreaming equality and equality outcomes interim progress report; 2021/22 Annual report on information governance and security; Annual report on complaints 2021/22; Annual report on Freedom of Information and Environmental Information 2021/22; Quarter four Financial performance report; Information security management policy review; Review of staff handbook policies; and New audit appointments – verbal update. Copies of the key papers have been loaded onto the Commission's SharePoint site and brought to members' attention.

Audit Scotland engagement

- 4 May – Interviews for Audit Scotland Executive Director of Audit Services.
- 16 May – Wash-up meeting for interviews for Audit Scotland Executive Director of Audit Services role.
- 17 May – Catch up with Stephen Boyle, Auditor General for Scotland and Accountable Officer, Audit Scotland.
- 23 May – Discussion with Stephen Boyle, Alan Alexander, Audit Scotland Board Chair, Paul Reilly, Commission Secretary, and Martin Walker, Associate Director, Corporate Performance and Risk on Commission Change Programme.

External engagement

- 18 May – Introductory meeting with Richard Leonard MSP, Convener, Public Audit Committee, accompanied by Paul Reilly.
- 23 May – Discussion session at Scottish Parliament's Local Government, Housing and Planning Committee as part of its business planning day, accompanied by Paul Reilly and Carol Calder, Audit Director, Performance Audit and Best Value (PABV).

3. Commission business has been as follows:

- Regular catch ups with Paul Reilly and Jillian Elgin, Executive Assistant to the Commission.
- 5 May – Recruitment catch up with Gatenby Sanderson around Controller of Audit role accompanied by Paul Reilly.
- 5 May – Catch up with Tim McKay, Interim Deputy Chair.
- 10 May – Sponsor catch up to discuss scope of the audit with Christine Lester and the Adult mental health team: Angela Canning, Audit Director, Leigh Johnston, Senior Manager, Natalie Goddard, Senior Auditor, Eva Thomas-Tudo, Audit Manager, and Claire Tennyson, Auditor, PABV.
- 12 May – Accounts Commission meeting.
- 18 May – Planning meeting with Scottish Government and Paul Reilly for Commission member recruitment.
- 24 May – Media for Local Government Overview report published on 25 May 2022.
- 25 May – Recruitment catch up with Gatenby Sanderson around Controller of Audit recruitment with Jillian Elgin.
- 26 May – Financial Audit and Assurance Committee meeting.
- 26 May – Performance Audit Committee meeting.
- 31 May – Forward planning meeting with Tim McKay, Paul Reilly and Jillian Elgin to discuss up and coming Commission business.

4. Other areas of work have included:

- Joint Improvement Service blog.
- Review of Audit Scotland Annual Report and Accounts.
- Media and signing off all publication material for Local Government Overview report.
- Chair's introduction for Commission Annual Report.

Forthcoming activities

5. My forthcoming engagement activities include:

- 1 June – Audit Scotland Audit Committee.
- 1 June – Audit Scotland Board.
- 6 June – Monthly catch up with Stephen Boyle.
- 6 June – Monthly catch up with Antony Clark, Interim Controller of Audit, and Paul Reilly.

- 6 June – Strategic Scrutiny Group catch up with Tina Yule, Chair of Operational Scrutiny Group.
- 7 June – Introductory meeting with Sharon Dowey MSP, Scottish Conservative and Unionist Party, the Scottish Commission for Public Audit (SCPA) member.
- 7 June – Introductory meeting with Colin Beattie MSP, SCPA Convener.
- 7 June – Introductory meeting with John-Paul Marks, Permanent Secretary, Scottish Government.
- 7 June – Communications group meeting with Joanna Mansell, Communications adviser, Paul Reilly and Jillian Elgin.
- 9 June – Accounts Commission meeting.

Conclusion

6. The Commission is invited to:

- a) note this report and enquire about any areas of interest
- b) consider whether there are any changes that they would wish to see to the format and content of the report for the future.

William Moyes
Chair
31 May 2022

MEETING: 9 JUNE 2022

REPORT BY: INTERIM CONTROLLER OF AUDIT

INTERIM CONTROLLER OF AUDIT UPDATE REPORT

Purpose

1. This report provides an update on my engagement activity during May 2022.

Engagement

2. Please note below my engagements in May:
 - **2 May** – Quarterly engagement meeting with Andrew Kerr, Chair, Society of Local Authority Chief Executives (SOLACE).
 - **4 May** – Quarterly engagement meeting with Sally Loudon, Chief Executive, Convention of Scottish Local Authorities (COSLA).
 - **5 May** – Shetland Best Value Assurance Report (BVAR) emerging messages discussion with the team.
 - **6 May** – Monthly engagement meeting with Paul Reilly, Secretary to the Commission.
 - **6 May** – Bi-monthly engagement meeting with Communications Advisor.
 - **10 May** – Angus BVAR final report meeting with the team.
 - **12 May** – Accounts Commission meeting.
 - **12 May** – Northern Ireland Audit Office (NIAO) extraordinary audit of Causeway Coast and Glens Borough Council. Virtual attendance at an update meeting following previous meetings to discuss the draft audit report.
 - **16 May** – Scotland's financial response to Covid-19 post clearance meeting with the Auditor General for Scotland (AGS) and sponsors (Sophie Flemig and Sheila Gunn).
 - **16 May** – Quarterly United Kingdom and Ireland (UK&I) Public Audit Forum meeting: topics discussed were embedding 'user voice' and user/client/citizen experiences and outcomes in audit work and audit arrangements for UK levelling up funds.
 - **18 May** – Monthly catch up with the Correspondence team.
 - **18 May** – Regular six-monthly engagement meeting with Catriona MacLean, Deputy Director, Public Service Reform, Scottish Government.
 - **19 May** – Meeting with Paul Reilly to discuss the Best Value (BV) approach and future reporting to the BV Working Group.

- **23 May** – Child poverty draft output discussion with the AGS and sponsors (Andrew Burns and Sophie Flemig).
- **24 May** – Comhairle nan Eilean Siar (CnES) BVAR emerging messages discussion with the team.
- **25 May** – Moray BVAR post project review meeting.
- **26 May** – Financial Audit and Assurance Committee (FAAC) and Performance Audit Committee (PAC) meetings.
- **26 May** – Sistema Scotland Evaluation Advisory Board meeting – first meeting with newly formed Advisory Board.

Forthcoming activities

3. My upcoming engagements in June include:

- **2 June** – Further meeting with Paul Reilly to discuss the BV approach and future reporting to the BV Working Group (follow up to 19 May 2022 meeting).
- **6 June** – Monthly catch up with Bill Moyes, Chair of the Commission, and Paul Reilly.
- **8 June** – Bi-monthly engagement meeting with Tim McKay as Chair, FAAC.
- **8 June** – Regular catch up meeting with Audit Scotland colleagues leading on the BV approach to councils and Integration Joint Boards (IJBs) with Fiona Mitchell-Knight, Audit Director, Carol Calder, Senior Manager, and Leigh Johnston, Senior Manager, Performance Audit and Best Value (PABV).
- **8 June** – Preparatory session with Bill Moyes, Local Government Overview (LGO) teams and Communications Advisor for the Local Government, Housing and Planning Committee evidence session on the LGO/Financial LGO reports on 21 June 2022.
- **9 June** – Accounts Commission meeting.
- **10 June** – Shetland BVAR draft report discussion with the team.
- **20 June** – Additional preparatory session with Bill Moyes, LGO teams and Communications Advisor for the Local Government, Housing and Planning Committee evidence session on the LGO/Financial LGO reports on 21 June 2022.
- **20 June** – Joint Work Programme update meeting with AGS, Accounts Commission Chair, Interim Deputy Chair and Secretary and the team.
- **21 June** – Attending the Local Government, Housing and Planning Committee evidence session on the LGO/Financial LGO reports alongside Bill Moyes and the LGO teams.
- **22 June** – Quarterly engagement meeting with Sarah Gadsden, Chief Executive, Improvement Service.
- **23 June** – Monthly catch up with the Correspondence team.

- **27 June** – Adult Mental Health scope/ issues and investigations (I&I) discussion with AGS, Commission sponsors (Bill Moyes and Christine Lester) and the team.
- **28 June** – Meeting with BV Working Group.

Antony Clark
Interim Controller of Audit
25 May 2022

Supplementary information on the Angus Best Value Report:

1. The long term financial planning framework will cover the 5-10 year period.
2. We didn't specifically link the climate change work and community engagement work as part of our BVAR work. What we do know is that the CPP's review of the Angus Community Plan, which now includes a 4th priority of climate change, included community engagement sessions in March 2022. In addition when developing the SECAP there was engagement with key stakeholders including representative from community groups. The SECAP recognises the importance of increasing public awareness of sustainability and the impacts of climate change and we know there is further planned engagement with citizens on new developments such as kerbside waste collection arrangements in line with the Scottish Deposit Return Scheme. We also know that the council is in the process of establishing a Community Climate Forum and is encouraging involvement from a wide range of stakeholders.